

5-12-1967

Board of Trustees Meeting Minutes 1967-05-12

Bowling Green State University

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Proceedings, Trustees Bowling Green State University

March 3, 19 67
May 12, 1967

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President Jerome stated that he hopes to have the cooperation of the faculty, students, and trustees in developing an action program relative to vandalism and residence hall behavior.

Mr. Canary announced that because of a conflicting engagement of one of the trustees on the regular meeting date of May 5, the next meeting would be held on May 12.

There being no further business the meeting adjourned at 4:15 p.m.

Attest:

Sumner Canary
President

Donald G. Simmons
Secretary

Bowling Green, Ohio
May 12, 1967

After due notice the trustees met in the Board Room in the Administration Building at 2:15 p.m. on May 12, 1967, with the following members present: Delmont Brown, Sumner Canary, Donald Simmons, Anita Ward, Virginia Stranahan, and Dudley White, Jr. Robert Dorfmeier was absent.

Also present were President Jerome, Paul F. Leedy, K. H. McFall, Donal Lelong, Paul Moyer, Charles Perry, Elton Ringer, and Hawley Smith.

Mr. White moved, Mrs. Stranahan seconded, that the minutes of the March 3, 1967 meeting be approved. All members present voting "aye," the motion was carried.

Student Facilities Bonds

President Jerome stated that the student facilities revenue bonds recently sold required three implementing resolutions--to amend the original bond resolution for student facilities and to validate the awarding of the bid on the bonds which took place on Thursday, May 11, 1967.

Mr. Simmons Moved, Mrs. Ward seconded, that the following Bond Resolution and the Trust Agreement, as a part thereof, be approved. All members voting "Aye," the motion was carried.

TRUST AGREEMENT between BOWLING GREEN STATE UNIVERSITY and THE OHIO CITIZENS TRUST COMPANY Dated as of June 1, 1967

Securing
\$7,500,000 Student Facilities Revenue Bonds, 1967 Series, dated June 1, 1967
Additional Parity Bonds as provided herein

AGREEMENT dated as of June 1, 1967, between Bowling Green State University and its Board of Trustees (hereinafter sometimes referred to collectively as the "University"), created and existing under the laws of the State of Ohio, and located at Bowling Green, Wood County, Ohio, and The Ohio Citizens Trust Company, a corporation duly organized and existing under and by virtue of the laws of the State of Ohio and duly authorized to accept and execute trusts, with its office and principal place of business in the City of Toledo, Lucas County, Ohio, as Trustee (said Company, and any bank or trust company appointed as successor trustee under this Agreement, being hereinafter sometimes called the "Trustee");

WITNESSETH:

WHEREAS, the Board of Trustees of Bowling Green State University, pursuant to Section 3345.11 of the Revised Code of Ohio, has heretofore adopted a resolution (a) providing for the issuance of \$7,500,000 principal amount of Bowling Green State University Student Facilities Revenue Bonds, 1967 Series (herein called the "Project Bonds") for the purpose of paying part of the cost of constructing and equipping certain buildings, structures and facilities to be used for and in connection with health services, athletic purposes and other student activities, all within its campus including a health services building, a student activities center, a stadium, an ice arena, facilities for track and field events, and related facilities to be used in connection therewith (the said buildings, structures and facilities being herein called the "Project"); (b) authorizing the execution and delivery of this Trust Agreement to secure said Project Bonds and additional bonds (herein called the "Additional Bonds") that may be issued hereunder on a parity therewith (said 1967 Series Bonds and additional bonds herein called the "Bonds"); and (c) pledging the Pledged Receipts herein identified; and

WHEREAS, the said Bond Resolution is incorporated herein and made a part hereof, and provides as follows:

BOND RESOLUTION

Providing for the issuance of \$7,500,000 Bowling Green State University Student Facilities Revenue Bonds, 1967 Series, for the purpose of constructing and equipping certain buildings, structures and facilities to be used for and in connection with health services, athletic purposes and other student activities.

WHEREAS, the Board of Trustees of Bowling Green State University (herein called the Board) is vested with the government of Bowling Green State University (herein called the University, or, when the context admits, collectively with the Board called the University) by Chapter 3341 of the Revised Code of Ohio; and

WHEREAS, by authority of Section 3345.11 of the Revised Code, the Board is authorized to acquire by purchase, lease, or otherwise, and to construct, equip, maintain, renovate, repair, improve, or remodel and operate, and to lease to or from others, buildings, structures, or facilities and sites therefor and related equipment within or in close proximity to the campus of the University to be used for or in connection with athletic purposes, student activity centers, faculty centers, dining halls, bookstores, auditoriums, parking of motor vehicles, hospital, medical and health facilities, continuing education facilities, and contract research facilities; and, for the purpose of paying the costs thereof, or of any part thereof, or the repayment of any loans obtained for such purposes, to sue any funds in its possession not otherwise obligated, revenues derived from athletic events, and from the operation or leasing of such activity centers, faculty centers, dining halls, bookstores, auditoriums, parking facilities, hospital, medical and health facilities, continuing education facilities and contract research facilities, including but not limited to such portions of student activity fees charged and paid for such purposes, any other revenues or receipts derived or to be derived from the operation or leasing of such structures, buildings, facilities and equipment; and for the purpose of paying all or part of such costs the Board is further authorized thereby to issue and sell bonds, notes or other written instruments evidencing such indebtedness, provided that such obligations shall not be a claim against or lien upon any property of the State of Ohio or any property of or under the control of said Board excepting such parts of the revenues or receipts derived from the operation or leasing of such structures, buildings, facilities, equipment or sites and any portion of the fees assessed or to be assessed for the purposes of such acquisition, construction, equipment, renovation, repair, improvement or remodeling or for the use of such structures, buildings, facilities, equipment or sites which the Board may pledge to secure the payment of such obligations; and by authority of said Section 3345.11 the Board is also authorized to issue such bonds, notes or other obligations payable as aforesaid in order to retire or refund outstanding notes or other obligations matured or unmatured, to repay moneys previously borrowed or advanced under said section or to reimburse funds of the University for amounts used under said Section 3345.11; and

WHEREAS, the University has determined to construct and equip certain buildings, structures and facilities to be used for and in connection with health services, athletic purposes and other student activities, all within its campus, including a health services building, a student activities center, a stadium, an ice arena, facilities for track and field events, and related facilities to be used in connection therewith (the said buildings, structures and facilities being herein called the Project), to provide for the issuance of Student Facilities Revenue Bonds, 1967 Series (herein called the Project Bonds), to pay part of the cost of constructing and equipping and Project and to provide for the issuance of additional bonds (herein called Additional Bonds) as from time to time authorized subject to the conditions contained in this resolution and the below mentioned Trust Agreement on a parity with the Project Bonds (the Project Bonds and such Additional Bonds from time to time outstanding being herein collectively called the Bonds), to provide for the pledging, application and disposition of the Pledged Receipts herein identified, and to provide for the execution and delivery of a Trust Agreement (herein called the Trust Agreement) to secure the Bonds; and

WHEREAS, the University has not pledged or encumbered the Pledged Receipts except as provided herein and except to secure the payment of notes issued for the interim construction financing of the Project, which notes are to be retired from the proceeds of the Project Bonds, and which security is expressly subordinated to the pledge herein provided; and

WHEREAS, the Project is to be constructed pursuant to plans prepared by qualified architects and engineers, and approved by the Department of Public Works of Ohio; and

WHEREAS, the costs of constructing and equipping the Project, including, without implied limitation, construction, equipment, site improvements, engineering, legal and administrative expenses, and any costs necessary to placing the project in operation, together with provisions for contingencies, are estimated, based on construction contracts, to be \$9,300,000; and

WHEREAS, the University has determined to borrow the funds to pay part of the foregoing costs by selling \$7,500,000 Student Facilities Revenue Bonds, 1967 Series, as hereinafter provided, the balance of such costs to be paid from funds of the University lawfully available therefor;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Bowling Green State University:

Section 1. Authorization of Project Bonds - Use of Proceeds. The Board does hereby find and determine that it is necessary to issue and sell, and that the University shall issue and sell, the Project Bonds in the principal amount of \$7,500,000 and

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having the terms provided for herein, the proceeds to be used to pay part of the Project Costs as herein defined, and, to the extent of any balance, to be deposited in the Student Facilities Debt Service Reserve Fund herein provided. Said Bonds shall be designated Bowling Green State University Student Facilities Revenue Bonds, 1967 Series, and are herein called the Project Bonds.

Section 2. Terms of Project Bonds. The Project Bonds shall be initially issued in coupon or fully registered form as may be requested by the Original Purchaser thereof and shall be exchangeable ~~for fully~~ for fully registered or coupon bonds in the manner and on the terms provided in the Trust Agreement. The Project Bonds in coupon form shall be in the denomination of \$5,000 each, shall be registrable as to principal, and shall be dated as of June 1, 1967. Project Bonds in fully registered form shall be in the denomination of \$5,000 or any multiple thereof. Project Bonds in both coupon and fully registered form shall be numbered as determined by the Fiscal Officer of the University. Each Project Bond in registered form without coupons shall be dated as of the interest payment date on which it is authenticated or the interest payment date next preceding the date of its authentication or as of the same date as the coupon bonds if authenticated prior to the first interest payment date; provided, however, if at the time of authentication of a registered bond without coupons, interest is in default, such Project Bond shall be dated as of the date to which interest has been paid. Project Bonds shall bear interest payable semi-annually on June first and December first of each year, beginning December 1, 1967, at the rate or rates per annum, not exceeding 5%, determined in the sale of such Bonds, and shall mature annually on June 1 in the years and amounts as follows:

<u>Year(s)</u>	<u>Amount</u>	<u>Year(s)</u>	<u>Amount</u>	<u>Years(s)</u>	<u>Amount</u>
1968	\$ 70,000	1984	\$145,000	1996	\$240,000
1969-70	80,000	1985	150,000	1997	250,000
1971	85,000	1986	160,000	1998	260,000
1972-73	90,000	1987	165,000	1999	270,000
1974	95,000	1988	170,000	2000	280,000
1975	100,000	1989	180,000	2001	295,000
1976	105,000	1990	185,000	2002	305,000
1977-78	110,000	1991	195,000	2003	320,000
1979	120,000	1992	205,000	2004	335,000
1980-81	125,000	1993	210,000	2005	345,000
1982	135,000	1994	220,000	2006	360,000
1983	140,000	1995	230,000	2007	365,000

Project Bonds maturing on and after June 1, 1978 shall be subject to redemption in whole or in part on any interest payment date on and after December 1, 1977, at redemption prices equal to the following percentages of the principal amount redeemed, plus accrued interest to the date fixed for redemption, to wit:

- 104% if redeemed on or before June 1, 1982;
- 103% if redeemed thereafter, but on or before June 1, 1987;
- 102% if redeemed thereafter, but on or before June 1, 1992;
- 101% if redeemed thereafter, but on or before June 1, 1997;
- 100-1/2% if redeemed thereafter, but on or before June 1, 2002;
- 100% if redeemed thereafter.

If less than the entire unmatured portion of the 1967 Series Bonds is called for redemption at any time or from time to time, such Bonds (and portions of fully registered Bonds) shall be called in inverse order of maturity of those outstanding; and if less than all of said bonds outstanding of one maturity are to be called, the selection of bonds or portions of registered bonds of such maturity to be called shall be made by lot by the Trustee in such manner as the Trustee may determine.

The principal of and interest on the Project Bonds shall be payable at the principal corporate trust office of the Trustee, or, at the option of the holder, at the principal corporate trust office of the paying agency of the University in the Borough of Manhattan, City and State of New York, such paying agency initially to be the bank or trust company selected by the Original Purchaser and approved by the Fiscal Officer of the University; provided that the principal on registered bonds with or without coupons, shall be payable only at the principal corporate trust office of the Trustee and interest on fully registered bonds shall be payable by check or draft as provided in the Trust Agreement.

The Project Bonds shall be executed by the facsimile signature of the President of the Board, shall be signed by the Executive or the Fiscal Officer of the University and attested by the Secretary of the Board, provided that all but one of such signatures may be facsimile if authorized by the law in effect at the time or times of execution or delivery of any of the Project Bonds, and shall bear the seal of the University or a facsimile thereof, and the interest coupons thereon shall bear the facsimile signature of the Fiscal Officer of the University.

The Trust Agreement referred to herein is the Trust Agreement hereinafter provided for, between the University and The Ohio Citizens Trust Company, Toledo, Ohio (herein with its successors called the Trustee).

Section 3. Sale of the Project Bonds. The Fiscal Officer of the University is hereby authorized to offer the Project Bonds for sale, by solicitation of proposals or by advertisement for bids, to the bidder submitting the highest bid based on the lowest net interest cost, at a purchase price of not less than par plus accrued interest; all in such manner and on such terms, not inconsistent with this Resolution, as determined by the Fiscal Officer of the University, including specification in such solicitation or advertisement of such of the following as he may choose, together with such other terms as he may deem advisable: a maximum rate of interest less than the maximum rate provided in Section 2 hereof; a maximum number of different interest rates, and a maximum difference between the highest interest rate and the lowest interest rate. There shall not be more than one interest rate for any single maturity, each Bond must bear

interest from its date until its fixed maturity date, subject to the redemption provisions hereof, and each coupon Bond shall be delivered by the University to the Original Purchaser with all interest coupons attached. The University shall provide the printed bonds and the cost of printing shall not be considered in determining the highest bid. The successful bidder to whom the Project Bonds shall be awarded pursuant hereto is herein sometimes called the "Original Purchaser."

Section 4. Allocation of Proceeds of the Project Bonds - Construction Fund - "Project Costs". The proceeds of all the Project Bonds shall be allocated and applied by the University as follows in the following order of priority:

- (1) To the Student Facilities Debt Service Fund, established pursuant to Section 5 hereof, the portions of such proceeds representing accrued interest to the date of delivery.
- (2) To the Student Facilities Debt Service Reserve Fund, established pursuant to Section 5 hereof, the portion of the proceeds representing premium, if any, above par.
- (3) To the University or its obligees, the amounts, if any, necessary to retire notes issued or to repay borrowings made or advances received or made by the University prior to the delivery of the Project Bonds to pay the Project Costs, all to the extent permitted by Section 3345.11 of the Revised Code of Ohio.
- (4) The balance to the Student Facilities Construction Fund (herein called Construction Fund), hereby established for the Project, to be held by the University in a separate deposit account, except when invested as hereinafter provided, and used to pay Project Costs. The Fiscal Officer is hereby authorized and directed to establish and maintain said deposit account with a bank or trust company which is a member of the Federal Deposit Insurance Corporation.

The Fiscal Officer of the University shall apply said Construction Fund to the payment of Project Costs. As used in this Resolution, the term "Project Costs" shall include, without intending thereby to limit or restrict any proper definition of such costs under any applicable laws or sound accounting practice, the following: the costs of constructing, equipping and furnishing the Project, including site improvements, utility connections and all things necessary or incidental thereto, and including all costs and expenses of architectural, engineering, legal and other professional services, administrative and clerical costs and expense, interest accruing prior to occupancy of the Project (both on temporary financing and on the Project Bonds, but excluding accrued interest paid as part of the purchase price of the said bonds), all costs and expenses incurred in connection with the issuance, sale and delivery of the Project Bonds and all other necessary and miscellaneous expenses related to the financing and construction of the Project and placing it in operation, and shall include the repayment of any amounts borrowed by the University for the purpose of paying Project Costs prior to the delivery of the Project Bonds. If the payment is to be made with respect to an obligation under a construction contract relating to the Project, such payment shall be made only upon certification by a qualified architect or engineer that such payment is due under such contract.

The Construction Fund may be deposited by the Fiscal Officer of the University in time deposits, or may be invested by the Fiscal Officer of the University in direct obligations of the United States, obligations the principal and interest of which is guaranteed by the United States, obligations of agencies and instrumentalities of the United States, and certificates of deposit issued by banks or trust companies organized under the laws of the United States or any state thereof which have a combined capital and surplus of at least \$10,000,000; provided that the amounts, and the notice periods for withdrawal of such time deposits, maturities of certificates of deposit and maturity and redemption provisions of such other investments, shall be such as will provide funds when needed to pay Project Costs. Such time deposits and investments and the proceeds of sale thereof shall constitute part of the Construction Fund and shall be maintained separately from other investments or funds of the University. Interest on such time deposits and investments may be paid to the Student Facilities Revenue Fund, established pursuant to Section 5 hereof, but, if needed therefor, shall be applied to the purposes of the Construction Fund as from time to time determined by the Fiscal Officer of the University. The said investments shall be sold, exchanged or collected from time to time by the Fiscal Officer of the University.

The proceeds of the Project Bonds may, at the discretion of the Fiscal Officer of the University, be first deposited in their entirety to the Construction Fund, provided that within ten days after receipt the portions thereof to be deposited to other Special Funds, as provided in paragraphs number (1) and (2) of this Section, shall be transferred from the Construction Fund to said Special Funds and the portion to be transferred or applied as provided in paragraph number (3) above shall, at the appropriate time or times, be so transferred or applied from the Construction Fund. Any balance in the Construction Fund remaining after the transfers and application provided for in paragraphs (1), (2) and (3) of this Section and after paying all Project Costs or reserving therein such amounts as shall be necessary to pay the remaining Project Costs, but not exceeding amounts which the University shall have deposited to the Construction Fund from sources other than the proceeds of the Project Bonds, other than the proceeds of notes issued to pay Project Costs, and other than Student Facilities Fees collected after issuance of the Project Bonds, shall be returned to the University. Any balance thereafter remaining in the Construction Fund shall be transferred to the credit of the Student Facilities Debt Service Reserve Fund.

Section 5. Application of Receipt; Sepcial Funds. There is hereby established a special fund designated "Student Facilities Revenue Fund" (herein sometimes called the Revenue Fund), which fund shall be maintained as a separate and distinct fund on the records of the University, the moneys of which shall be deposited in the name of the University with a bank or trust company which is a member of the Federal Deposit Insurance Corporation, or invested as herein authorized, and which, subject to the withdrawals and uses herein authorized, is pledged to and charged with the payment of the principal, interest, and premium, if any, on all the Bonds.

There shall be maintained in the Revenue Fund, as an Operating Reserve, such amount as is from time to time determined by the Fiscal Officer of the University as adequate and necessary for working capital for Operating and Maintenance Expenses of the Pledged Facilities; provided, that such Operating Reserve shall not exceed an amount reasonably estimated to be needed for payment of the Operating and Maintenance Expenses of the Pledged Facilities to become due prior to the next regular collection of Student Facilities Fees.

From and after the issuance of the Project Bonds, all Pledged Receipts shall be deposited in the Revenue Fund; provided, however, that prior to completion of the Project the University may deposit all or any part of the Student Facilities Fees to the Construction Fund so long as the Pledged Receipts, after such application to the Construction Fund, shall be adequate to pay the amounts required under paragraphs First and Second below of this Section 5.

The Revenue Fund, including the Operating Reserve, shall be applied to pay when due the Operating and Maintenance Expenses of the Pledged Facilities; provided, however, that nothing contained herein or in the Trust Agreement shall be deemed to prohibit the University of its own volition from paying such expenses, or any portion thereof, from other funds of the University lawfully available for the purpose.

The remainder of the Revenue Fund, after retaining therein the then current Operating Reserve and payment of said Operating and Maintenance Expenses then due, shall be applied as follows and in the following order of priority:

First: Into the Student Facilities Debt Service Fund (herein sometimes called the Debt Service Fund), hereby established and to be held by the Trustee as a separate fund and used for the payment of principal and interest on the Bonds, (1) on or before May 15th and November 15th of each year, beginning with November 15, 1967, amounts as shall be sufficient, with other moneys on hand therein available for such purpose, to pay the interest due on the next ensuing interest payment date on all Bonds then outstanding; (2) on or before May 15th and November 15th of each year, beginning November 15, 1967, such equal semi-annual amounts as shall be sufficient, with moneys then on hand therein available for such purpose, to provide for payment of the next ensuing serial principal maturity on the following June 1 on all Bonds then outstanding and, if any of such Bonds shall be term Bonds, to provide an amount annually necessary to retire (by call or otherwise) at or before maturity thereof all term Bonds.

Second: Into the Student Facilities Debt Service Reserve Fund (herein sometimes called the Debt Service Reserve Fund), hereby established, to be held by the Trustee as a separate fund for the payment of the Bonds as herein provided, on or before May 15th and November 15th of each year, beginning November 15, 1967, an amount at least equal to 20% of the amount payable on such deposit date into the Debt Service Fund, to the extent and so long as necessary to create and maintain in said Debt Service Reserve Fund the required reserve, namely, an amount equal to the largest Principal and Interest Requirements in any subsequent Fiscal Year on all Bonds at the time outstanding.

Third: On May 15th and November 15th of each year, to the foregoing funds, such amounts as may be necessary to make up any previous deficiency in any deposits required by the foregoing paragraphs of this Section.

Fourth: So long as there is no deficiency in any of the deposits provided for in Paragraphs First through Third above, any amounts in the Revenue Fund, after reserving therein the then current Operating Reserve and an amount equal to the next ensuing payment to the Debt Service Fund and Debt Service Reserve Fund, may be used for any purpose of the University for which such funds may be lawfully used, including without limitation improvements and extraordinary repairs and replacements of the Pledged Facilities.

Notwithstanding the foregoing provisions, no payments need be made to the Debt Service Fund or the Debt Service Reserve Fund so long as the amounts in the Debt Service Fund and Debt Service Reserve Fund aggregate at least the total principal and interest payable on all Bonds then outstanding to the dates of their respective maturities.

The Debt Service Fund is pledged to and shall be used by the Trustee for the payment of principal and interest on the Bonds, and until required for such purposes, shall be invested by the Trustee in such direct obligations of the United States, or obligations guaranteed as to both principal and interest by the United States, as the Executive or the Fiscal Officer of the University shall direct in writing addressed to the Trustee, which writing shall determine that the maturity, or first date of redemption at the option of the holder, of the respective obligations is not later than the date on which such funds will be required for payment of such principal and interest. The Trustee shall transfer from the Debt Service Fund to the Paying Agents amounts sufficient to enable said Paying Agents to pay when due principal and interest on the Bonds, or the Trustee shall make such credit arrangements with said Paying Agents as to permit such payments.

The Debt Service Reserve Fund is pledged to, and shall be used by the Trustee for, the payment of principal and interest on the Bonds if other available funds are insufficient for that purpose, and, to the extent herein provided, for the purchase or redemption of Bonds. Until required for such purpose, moneys therein shall be invested by the Trustee in such direct obligations of the United States, or obligations guaranteed

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as to both principal and interest by the United States, as the Executive or the Fiscal Officer of the University shall direct in writing, which obligations shall mature, or be redeemable at the option of the holder, in not more than five years from the date of investment. The Trustee shall transfer from the Debt Service Reserve Fund to the Debt Service Fund such amounts as are necessary in addition to amounts available in the Debt Service Fund to pay when due the principal and interest on the Bonds.

Any amounts in the Debt Service Reserve Fund in excess of the required reserve provided for in Paragraph Second above may be used to purchase Bonds for cancellation or to redeem Bonds then subject to redemption to the extent and in the manner from time to time requested in writing by the Executive or the Fiscal Officer of the University. The purchase price of Bonds purchased for cancellation shall not exceed their then prevailing call price, if any, nor exceed their fair market value. In determining such excess over the required reserve, the required reserve shall be determined on the basis of only those Bonds to be outstanding after the redemption or purchase for cancellation of the Bonds to be redeemed or purchased with such excess.

The Fiscal Officer of the University may deposit amounts in the Revenue Fund in time deposits, or invest amounts in the Revenue Fund in direct obligations of the United States, obligations guaranteed as to both principal and interest by the United States, obligations of agencies and instrumentalities of the United States, and certificates of deposit issued by banks or trust companies organized under the laws of the United States or any state thereof which have a combined capital and surplus of at least \$10,000,000, maturing, or redeemable at the option of the holder, in not more than five years from the date of investment; provided that the amounts, and notice periods for withdrawal of such time deposits, maturities of certificates of deposit and maturity and redemption provisions of such other investments, shall always be such as to keep available in the Revenue Fund sufficient moneys for payment of Operating and Maintenance Expenses and for the deposits provided above at the times needed for such purposes.

Investments, including the interest and other earnings and proceeds of sale thereof, of any amounts in the Debt Service Fund and the Debt Service Reserve Fund shall be added to that particular Fund and used for the purpose of such Fund; provided, however, that income from investments of the Debt Service Reserve Fund, up to the amount of such Fund in excess of the required reserve therein, may at the option of the University be transferred at any time to the Debt Service Fund in anticipation of interest and principal on the Bonds to become due on future interest and principal payment dates. Such transfers shall be made by the Trustee upon the written directions of the Executive or Fiscal Officer of the University.

Investments of amounts in the Debt Service Fund and the Debt Service Reserve Fund shall be sold, exchanged or collected from time to time as directed by the Executive or the Fiscal Officer of the University, and the Trustee shall be under no liability and have no responsibility in connection with such investment, or the sale, exchange or collection thereof, provided the directions of the officer acting are followed. Investments of moneys in Special Funds shall be valued at their face value amount or market value, whichever is lower.

Section 6. Additional Bonds. (a) The University shall have the right from time to time to issue Additional Bonds to provide funds for any purposes authorized by Section 3345.11 of the Revised Code of Ohio. The Trustee shall authenticate and deliver Additional Bonds under this subdivision (a) upon (but only upon) receipt of the documents required by the Trust Agreement and also a certificate of the Executive Officer and the Fiscal Officer of the University (1) showing that the Net Income Available for Debt Service (as defined in Section 10 hereof) is equal to or greater than one and thirty one-hundredths (1.30) times the largest Principal and Interest Requirements in any succeeding Fiscal Year on all Bonds to be outstanding hereunder immediately following the issuance of such Additional Bonds, less such requirements on any Bonds or portion of fully registered Bonds which are to be redeemed or retired with the proceeds of such Additional Bonds, or with the proceeds of Additional Bonds theretofore issued, or to be redeemed or retired concurrently with issuance of such new Additional Bonds; (2) showing that there were not included in such Net Income Available for Debt Service any receipts against which there is any prior claim other than the use thereof for the Operating and Maintenance Expenses of the Pledged Facilities; and (3) furnishing such other information in support of the foregoing as may reasonably be requested by the Trustee.

(b) In the case of Additional Bonds to be issued for the purpose of refunding or funding any Bonds, prior to authentication of such Additional Bonds there shall be furnished to the Trustee evidence satisfactory to the Trustee (1) that provision has been made to assure that moneys sufficient to retire the Bonds to be refunded or funded will be available in the possession of the Trustee at the time provided for retirement thereof under the plan for refunding or funding and are committed to such purpose, and (2) that moneys sufficient to pay interest to accrue prior to such retirement on the Bonds (or on portions of fully registered Bonds) to be refunded or funded have been deposited to the Debt Service Fund, without impairment of any provision or covenant of this Resolution, and from sources other than the Revenue Fund and other than the Debt Service Reserve Fund except to the extent of any moneys in such Special Funds in excess of the balances required to be maintained therein under the provisions of Section 5 hereof, the transfer of which excess moneys for such purpose is hereby authorized, or will be deposited to the Debt Service Fund from earnings on direct obligations of the United States deposited with the Trustee, or will be deposited to the Debt Service Fund from appropriate portions of the proceeds from the sale of such Additional Bonds pursuant to the resolution authorizing such Bonds, or will be available in the Debt Service Fund from any combination of the aforesaid sources. Moneys and investments deposited to the Debt Service Fund pursuant to clause (2) above shall not be considered for purposes of determining the deposits required to be made there to pursuant to Section 5 hereof except to the extent of interest payable on the Bonds to be refunded as of the next interest payment date.

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(c) The resolution authorizing such Additional Bonds shall contain such provisions as to Fund deposits and other covenants as shall be consistent with the terms of this Resolution relating to all Bonds, shall not permit redemption of such Additional Bonds earlier than the first redemption date of Bonds then outstanding, and shall provide for deposit of the proceeds of sale thereof in the appropriate funds in a manner satisfactory to the Trustee to assure the use thereof for authorized purposes. Additional Bonds shall have maturities, interest rates, redemption provisions, denominations, and other provisions as provided in the resolution or resolutions authorizing their issuance or sale, provided, however, that such terms and provisions shall not be inconsistent with this Resolution, the Trust Agreement or the then outstanding Bonds. Additional Bonds shall be payable from the Debt Service Fund and other Special Funds established by Section 5 of this Resolution, as provided in this Resolution, and secured by a pledge of the Pledged Receipts on a parity with the Project Bonds and other Additional Bonds.

Section 7. Terms of All Bonds. All Bonds shall bear such designations as may be necessary to distinguish them from other series of Bonds having different provisions. All Bonds shall be payable in lawful money of the United States, shall be in coupon form registrable as to principal or in fully registered form as provided in the resolution authorizing them or in the Trust Agreement, shall be negotiable instruments and shall express on their face the purpose for which they are issued and that they are issued pursuant to this Resolution.

The Bonds and coupons shall be executed in the manner provided in the resolution authorizing their issuance or in the manner provided by the law in effect at the time of their issuance. In case any officer whose signature or a facsimile of whose signature shall appear on any Bonds or Coupons shall cease to be such officer before the issuance, authentication or delivery of such Bonds or Coupons, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until that time.

Notice of redemption of Bonds, specifying the designation and numbers (and portions of fully registered Bonds) to be called, shall be published by the Trustee on behalf of the University once a week for two consecutive weeks in a financial journal of national circulation, the first publication to be not less than thirty (30) days prior to the redemption date. If Bonds or portions of registered Bonds are duly called for redemption and if on such redemption date moneys for the redemption of all the Bonds to be redeemed, together with interest to the redemption date, shall be held by the Trustee or Paying Agents so as to be available therefor, then from and after such redemption date such Bonds or portions of registered Bonds shall cease to bear interest and any coupons for interest thereon maturing subsequent to the redemption date shall be void, and such Bonds or portions of registered Bonds shall no longer be deemed to be outstanding hereunder.

As provided herein, the Bonds shall be equally and ratably payable from, and secured by, a pledge of the Pledged Receipts, including the Student Facilities Fees, after provision for the Operating and Maintenance Expenses of the Pledged Facilities, and anything in this Resolution, the Bonds or the Trust Agreement to the contrary notwithstanding, neither this Resolution, the Bonds, nor the Trust Agreement shall be a claim against or a lien upon any property of the State of Ohio or any property of or under the control of the Board except the Pledged Receipts including said Student Facilities Fees, and neither the State of Ohio nor the University shall be obligated to pay or provide for payment thereof from any funds except such Pledged Receipts, including said Student Facilities Fees; the Bonds are not debts or bonded indebtedness of the State, are not general obligations of the State or the University, neither the full faith and credit of the State nor of the University are pledged to their payment and the Bondholders shall have no right to have any taxes or excises levied, collected or applied for or to the payment of principal or interest thereon; provided, however, that nothing herein shall be deemed to prohibit the University, of its own volition, from using to the extent it is lawfully authorized to do so any of its other resources or revenues for the fulfillment of any of the terms, conditions or obligations of the Trust Agreement, this Resolution or any of the Bonds.

Section 8. Covenants of the University. The University covenants with the holders of the Bonds and with the Trustee as follows:

(a) The University will, while any of the Bonds remain outstanding, fix and adjust the fees, charges and rates comprising the Pledged Receipts, including the Student Facilities Fees, so that the receipts from the Student Facilities Fees will, together with other Pledged Receipts, be sufficient to pay the Operating and Maintenance Expenses of the Pledged Facilities and provide for the payment of the principal and interest on the Bonds and other payments to Special Funds required by Section 5 of this Resolution.

(b) From funds lawfully available, the University will cause the Project, and any project to be constructed from the proceeds of Additional Bonds, to be completed and equipped in an efficient and economical manner with reasonable dispatch, in compliance with all applicable laws, ordinances and regulations, and, if substantial construction is involved, in a manner consistent with the plans and recommendations of responsible architects or engineers.

(c) Subject to the right of abandonment under conditions provided in the Trust Agreement designed to prevent adverse effect of such abandonment on the expected earnings coverage of Debt Service, the University will maintain, preserve and keep the Pledged Facilities in good repair, working order and operating conditions, or cause the same to be done, and will apply the Pledged Receipts only as provided in Section 5 of this Resolution and in the Trust Agreement.

(d) If requested in writing by the Trustee or Original Purchaser, the University will furnish to the Trustee and the Original Purchaser of the Bonds within 120 days after the close of each fiscal year an annual report of the accounts (including each Special Fund provided for in Section 5 of this Resolution) of the Pledged Facilities prepared by a qualified accounting firm operating generally throughout the United States, having a national reputation and approved by the Trustee, or prepared by the State auditing official if the same be acceptable by the Trustee or Original Purchaser making the aforesaid request for such annual report.

(e) The University will keep proper books of record and accounts separate from all other records and accounts, in which complete and correct entries will be made of all transactions relating to the Pledged Facilities and will at all reasonable times permit the Trustee, the Original Purchaser or any holder or holders of 25% of the outstanding Bonds, or their authorized representatives, to inspect the Pledged Facilities and any books, documents and vouchers relating thereto.

(f) The University will furnish heat, light, power, water and other necessary services to the Pledged Facilities at not in excess of reasonable cost.

(g) The University will insure the Pledged Facilities as required by the Trust Agreement and apply the proceeds of such insurance as provided therein.

(h) The University will observe and perform all its agreements and obligations provided for by the Bonds, the Trust Agreement or this Resolution.

Section 9. Trust Agreement. In order to better secure the payment of the principal and interest on the Bonds, the Executive Officer of the University and the President of the Board of Trustees, or either of them, are authorized to execute, acknowledge and deliver, as may be appropriate, and the Secretary of the Board and the Fiscal Officer of the University, or either of them, are authorized to seal and attest, a trust agreement in the form submitted to this Board, which is hereby in all respects approved, with such changes therein as are consistent with this Resolution and as may be satisfactory to the officers executing same, the Trustee and the Original Purchaser of the Project Bonds. Such Trust Agreement shall constitute a part of this Resolution as if fully set forth herein, including the provisions for supplementation, modification, alteration and severability contained in such Trust Agreement which shall also be applicable to this Resolution, and this Resolution shall comprise part of said Trust Agreement.

Section 10. Definitions. In addition to the definitions set forth elsewhere in this Resolution, where the context permits, the following terms as used in this Resolution or in the Trust Agreement shall have the following meanings:

(1) "Additional Bonds" shall mean Bonds issued pursuant to Section 6 of this Resolution in addition to and on a parity with the Project Bonds or any other Additional Bonds then outstanding, and "Bonds" shall mean the Project Bonds and Additional Bonds.

(2) "Agreement" or "Trust Agreement" shall refer to the Trust Agreement hereinbefore authorized as from time to time supplemented pursuant to its terms.

(3) "Project Costs" shall have the meaning set forth in Section 4 hereof.

(4) "Pledged Facilities" shall mean the Project, and all structures, buildings, facilities, equipment and sites, constructed, acquired, renovated, repaired, remodeled or improved, in whole or in part, from the proceeds of the sale of Additional Bonds or from the proceeds of insurance on damaged or destroyed Pledged Facilities, and structures, buildings, facilities, equipment and sites which replace or are to replace any abandoned Pledged Facilities if the earnings test provided in the Trust Agreement for the abandonment of such facilities, without replacement, shall not have been met, but, in each case, excluding motor vehicle parking facilities until and unless included as Pledged Facilities by resolution of the Board of Trustees adopted in connection with the issuance of Additional Bonds.

(5) "Pledged Receipts" shall mean (a) the Student Facilities Fees, (b) that portion only of fee allocations, revenues and receipts of the University athletic department, University health service and other departments and operations of the University constituting the Facilities Charge, (c) other receipts from the operation or leasing of the Pledged Facilities, including charges made to organizations, groups and persons other than departments and operations of the University, for use of the Pledged Facilities, and (d) such new or additional fees, charges, revenues or receipts of a recurring nature as the University shall hereafter lawfully pledge hereunder to secure all Bonds in connection with the issuance of Additional Bonds.

(6) "Student Facilities Fees" shall mean the fees charged or to be charged by the University to students enrolled at the main campus of the University for the acquisition, construction, equipment, renovation, repair, improvement or remodeling of Pledged Facilities or for the use thereof. Said Student Facilities Fees may be collected separately or as a specific allocation of a multi-purpose fee. Such Student Facilities Fees are hereby determined to be revenues derived or to be derived from the operation of the Pledged Facilities.

(7) "Facilities Charge" shall mean a charge, from time to time determined by the University, made against the University athletic department, the University health service and other departments and operations of the University for their use of the Pledged Facilities, provided that, as to each, such charge shall not exceed the remaining amount of fee allocations, revenues and receipts of such department or operation derived from its activities conducted in connection with such use of Pledged Facilities,

and which the University can lawfully pledge to the security of the Bonds under Section 3345.11 of the Revised Code, after paying all other costs and expenses of such activities. Such Facilities Charges are hereby determined to be revenues derived or to be derived from the operation of the Pledged Facilities.

(8) "Operating and Maintenance Expenses" of the Pledged Facilities shall mean all ordinary and usual reasonable expenditures necessary to the operation, repair, and maintenance of the Pledged Facilities and ordinary replacements of old, damaged, worn out, lost or destroyed equipment, furniture and furnishings including, without limiting the generality of the foregoing, taxes, fees, and expenses of the Trustee and paying agents and any expenses required to be paid by this Resolution or the Trust Agreement, and administrative expenses of the Pledged Facilities including a reasonable portion of the general administrative expenses of the University properly allocable to the Pledged Facilities under sound accounting practices; but excluding (i) provision or expenditure for depreciation or extraordinary capital replacements, (ii) those expenses of the University athletic department, University health service and other departments and operations of the University which are to be provided for from the fee allocations, revenues and receipts from the activities thereof conducted in connection with their use of the Pledged Facilities before payment of any Facilities Charge as provided in paragraph (7) above, (iii) the Facilities Charges, and (iv) payments to the Debt Service Fund and Debt Service Reserve Fund.

(9) "Net Income Available for Debt Service" shall mean (a) the Pledged Receipts less the Operating and Maintenance Expenses of the Pledged Facilities during the preceding Fiscal Year as adjusted to reflect the schedule of fees, rates and charges which, by action of the Board, were placed in effect since the beginning of said preceding Fiscal Year or are to become effective at the beginning of the next semester, quarter or other school period, to reflect any new fees, charges, revenues or receipts of a recurring nature in the net amount received in the preceding Fiscal Year and lawfully pledged by the Board for inclusion with other Pledged Receipts, to give recognition to anticipated changes in Operating and Maintenance Expenses of the Pledged Facilities, and to eliminate net income from any Pledged Facilities as to which estimated income is included under clauses (b) or (c) of this paragraph (9); plus (b) the estimated annual net Pledged Receipts applicable to any Pledged Facilities which are then under construction or for which a full Fiscal Year's operating experience is not available; plus (c) the estimated annual net Pledged Receipts applicable to any Pledged Facilities the cost of which is to be financed in whole or in part by the sale of the Additional Bonds for which the calculation of Net Income Available for Debt Service is then being made. Any estimate of receipts from new or increased student fees shall be based on enrollment during the preceding fiscal year. The "estimated annual net Pledged Receipts applicable to any Pledged Facilities" as used in clauses (b) and (c) above means the estimated annual Pledged Receipts, exclusive of the Student Facilities Fees, applicable to such Pledged Facilities, less the estimated annual Operating and Maintenance Expenses allocable thereto, in the first full Fiscal Year of operation thereof, and, if such be the case, shall be applied as a negative figure in making the computation under this paragraph.

(10) "Principal and Interest Requirements" shall mean (i) the amount required in each Fiscal Year for paying the principal of and the interest on all Bonds at the time outstanding which shall become due and payable in such Fiscal Year, excepting the principal payment due in any Fiscal Year on term Bonds for which provision has been made for deposits into the Debt Service Fund, and (ii) the amounts required to be deposited in the same Fiscal Year in the Debt Service Fund on account of such term Bonds.

(11) "Special Funds" shall mean the Revenue Fund, the Debt Service Fund, the Debt Service Reserve Fund and the Construction Fund provided for in this Resolution.

(12) "Trustee" refers to the Trustee under the Trust Agreement.

(13) "Original Purchaser" shall mean the original purchaser of the Project Bonds and additionally, where the term is used in connection with all Bonds, the original purchasers of Additional Bonds.

(14) "Paying Agents" shall mean the banks or trust companies designated as the paying agencies for the Bonds pursuant to the resolutions authorizing the issuance or sale thereof and their successors designated pursuant to the Trust Agreement, and shall also mean the Trustee where the context admits.

(15) "Fiscal Year" shall mean the twelve month period ending on June 30 of each year or such other fiscal year as the University may hereafter adopt for keeping of books and accounts and for the financial reports required hereby.

(16) "Executive" or "Executive Officer" shall mean the President or the Vice President of the University, and "Fiscal Officer" shall mean the Treasurer or the Vice President of Finance of the University.

Any reference to an officer of the University or Board in this Resolution shall refer to the person holding such office or, in the event of resignation, absence, incapacity, vacancy in such office, transfer of function or change of title of the office, then the person performing the duties or most of the duties of such office.

Any reference to Section 3345.11 of the Revised Code of Ohio shall mean said section as it now exists and as it is from time to time amended, supplemented or affected by later legislation, and shall include any provision enacted in substitution therefor, provided that the obligation of the University to pay, from the Pledged Receipts as herein provided, the principal of and interest on the Bonds and the other payments and deposits as provided herein shall not be thereby impaired.

Section 11. General. The appropriate officers of the University and the Board, and each of them, the architects and engineers employed by the University, and the Trustee and the Paying Agent, are authorized and directed to do all things necessary or proper to carry out the terms and provisions of this Resolution, and the Trust Agreement, and to effect the execution, sale, and delivery of said Project Bonds in accordance therewith. The obligations imposed upon the University under this Resolution or the Trust Agreement are established as duties specifically enjoined upon the University, the Board and the officials of the University by law and resulting from their respective offices, trusts or stations within the meaning of Section 2731.01 of the Revised Code of Ohio.

Adopted: _____, 1967

President of the Board of Trustees

Attest: _____

Secretary of the Board of Trustees

WHEREAS, the texts of the Project Bonds and the coupons to be attached thereto, the authentication certificate of the Trustee to be endorsed thereon and the form of registration are to be substantially in the following forms:

(COUPON BOND FORM)

UNITED STATES OF AMERICA
STATE OF OHIO
BOWLING GREEN STATE UNIVERSITY
STUDENT FACILITIES REVENUE BOND, 1967 SERIES

No.

\$5,000

KNOW ALL MEN BY THESE PRESENTS that Bowling Green State University, a State University of the State of Ohio, and its Board of Trustees (herein collectively called the "University"), for value received, jointly and severally, hereby promise to pay, as provided in the Agreement described below, solely from the Pledged Receipts, including the Student Facilities Fees, after providing for the Operating and Maintenance Expenses of the Pledged Facilities, all as defined in said Agreement, to the bearer or, if this Bond be registered, to the registered holder hereof, the principal sum of

FIVE THOUSAND DOLLARS (\$5,000)

on June 1, 19____, with interest thereon from the date hereof at the rate of _____ per cent (____%) per annum, payable semi-annually on the first day of June and December in each year, commencing December 1, 1967, until payment of said principal sum has been made or duly provided for.

The interest on this Bond and, unless registered, the principal thereof are payable in lawful money of the United States of America at the principal corporate trust office of the Trustee, presently The Ohio Citizens Trust Company, Toledo, Ohio, or, at the option of the holder, at the principal corporate trust office of _____, in the Borough of Manhattan in the City and State of New York, without deduction for their services as the University's paying agents, upon surrender of this Bond and the interest coupons attached hereto as they respectively mature. If this Bond is registered as to principal, the principal thereof shall be payable in like money at the principal corporate trust office of the Trustee.

This Bond is one of a duly authorized issue of \$7,500,000 of Student Facilities Revenue Bonds, 1967 Series (herein called the "1967 Series Bonds" and, collectively with additional bonds issued on a parity therewith, called the "Bonds"), of the University, issued pursuant to Section 3345.11 of the Revised Code of Ohio and the Resolution of the Board of Trustees of May 12, 1967 (herein called the "Bond Resolution") and pursuant to a Trust Agreement (herein called the "Agreement") dated as of June 1, 1967 between the University and The Ohio Citizens Trust Company (herein, with its successors, called the "Trustee"), for the purpose of paying part of the cost of constructing and equipping certain buildings, structures and facilities to be used for and in connection with health services, athletic purposes and other student activities, all within its campus, including a health services building, a student activities center, a stadium, an ice arena, facilities for track and field events, and related facilities to be used in connection therewith.

The 1967 Series Bonds maturing on and after June 1, 1978 are subject to redemption at the option of the Board prior to maturity in whole or in part and in inverse order of maturity, on any interest payment date on and after December 1, 1977 at par and accrued interest to the redemption date plus redemption premiums as follows: 4% if redeemed on or before June 1, 1982; 3% if redeemed thereafter, but on or before June 1, 1987; 2% if redeemed thereafter, but on or before June 1, 1992; 1% if redeemed thereafter, but on or before June 1, 1997; 1/2% if redeemed thereafter, but on or before June 1, 2002; and without redemption premium if redeemed thereafter. If less than all of the 1967 Series Bonds of any one maturity are to be called for redemption, the coupon Bonds or portions of fully registered Bonds of such Series to be redeemed shall be selected by lot by the Trustee.

Notice of any such intended redemption, specifying by number the Bonds (and portions of fully registered Bonds) to be called, shall be published by the Trustee on behalf of the University at least once a week for two consecutive weeks in a financial journal of national circulation, the first publication to be not less than thirty (30) days prior to said redemption date. If Bonds (and portions of fully registered Bonds) are duly called for redemption and if on such redemption date moneys for the redemption

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of all the Bonds to be redeemed, together with interest to the redemption date, shall be held by the Trustee or Paying Agents so as to be available therefor, then from and after such redemption date such Bonds or portions of fully registered Bonds shall cease to bear interest and any coupons for interest thereon maturing after said redemption date shall be void, and such Bonds or portions of fully registered Bonds shall no longer be deemed to be outstanding under the Agreement.

This Bond is a negotiable instrument, but anything in the Bonds, the Bond Resolution or the Agreement to the contrary notwithstanding, neither the Bonds nor the indebtedness evidenced thereby, nor the Bond Resolution or the Agreement, shall constitute a claim against or lien upon any property of the State of Ohio or any property of or under the control of said Board of Trustees excepting the Pledged Receipts including the Student Facilities Fees, and neither the State of Ohio nor the University shall be obligated to pay or provide for payment thereof from any funds except such Pledged Receipts including said Student Facilities Fees; the Bonds are not debts or bonded indebtedness of the State, are not general obligations of the State or of the University, neither the full faith and credit of the State nor of the University are pledged to their payment and the bondholders shall have no right to have any taxes or excises levied, collected or applied for or to the payment of principal or interest thereon; provided, however, that nothing herein shall be deemed to prohibit the University, of its own volition, from using to the extent it is lawfully authorized to do so, any of its other resources or revenues for the fulfillment of any of the terms, conditions or obligations of the Agreement, the Bond Resolution or any of the Bonds.

The 1967 Series Bonds, together with such additional bonds as may be issued on a parity therewith under said Agreement, are, and are to be, secured only, but equally and ratably without priority one over another by reason of number or of date of Bond, sale, execution or delivery, by the Agreement, creating a prior pledge on the Pledged Receipts, including the Student Facilities Fees, after provision only for Operating and Maintenance Expenses of the Pledged Facilities, all as defined in the Agreement. Under the Agreement the University has covenanted that, while any of the Bonds remain outstanding, it will fix and adjust the fees, charges and rates comprising the Pledged Receipts, including the Student Facilities Fees charged to students enrolled at the main campus of the University, so that the receipts from the Student Facilities Fees will, together with other Pledged Receipts, be sufficient to pay said Operating and Maintenance Expenses of the Pledged Facilities and provide for the payment of the principal of and interest on the Bonds and other payments to the Special Funds required therein.

Reference is hereby made to the Agreement, of which the Bond Resolution constitutes a part, for a more complete description of the nature and extent of the security, the rights of the holders of the Bonds and coupons and of the University and the Trustee in respect of such security, and the terms and conditions upon which said Bonds and coupons are, and are to be, issued and secured, to all of the provisions of which Agreement each holder, by the acceptance hereof, assents.

To the extent and in the manner permitted by its terms, the Agreement may be amended with the written consent of the holders of not less than 66-2/3% of the principal amount of each series of Bonds outstanding affected by such amendment, excluding any Bonds held or owned by the University, but no such action shall result in changing the redemption provisions or interest and principal maturity dates or terms of payment or reducing the principal amount or interest rate on any Bond or imposing any conditions on payment without the consent of the holder.

If an event of default, as defined in said Agreement, shall occur, the principal of this Bond and all other Bonds secured by said Agreement then issued and outstanding may be declared to become due and payable in the manner and with the effect provided by said Agreement.

The holders or registered owners of the Bonds shall not be entitled to institute any suit, action or proceeding at law or in equity to enforce any rights or remedies granted by the Agreement except to the extent and in the manner provided therein.

No provision of this Bond or of the Agreement and no reference herein to the Agreement shall have the effect of incorporating in the terms of this Bond any provision which would alter or impair the obligation of the University, which is absolute and unconditional, to pay, from the sources herein described, the principal of and interest on this Bond at the times and places and in the lawful money provided herein or affect the right of the holder of this Bond or any coupon to enforce payment thereof from such sources at and after the date of maturity of this Bond or such coupon without reference to or consent of the Trustee or the holder of any other Bond or coupon.

The 1967 Series Bonds are issuable as coupon bonds, registrable as to principal, in the denomination of \$5,000, and as registered bonds without coupons in denominations of \$5,000 and any multiple thereof. Registered bonds without coupons may be exchanged for coupon bonds or for other registered bonds without coupons, and coupon bonds may be exchanged for registered bonds without coupons, all on the terms and under the conditions and upon payment of the charges, if any, and with the effect provided in the Agreement.

This Bond may be registered as to principal on the books of the University kept for the purpose by the Trustee as Bond Registrar upon presentation hereof to said Bond Registrar, which shall make notation of such registration in the registration blank hereon, and this Bond may thereafter be transferred only upon an assignment duly executed by the registered owner or his attorney, such transfer to be made on said books and endorsed hereon. Such transfer may be to bearer and thereby transferability by delivery shall be restored, but this Bond shall again be subject to successive registration and transfers as before. The principal of this Bond, if registered, unless registered to bearer, shall be payable only to or upon the order of the registered owner or his legal representative. Notwithstanding the registration of this Bond as to principal alone, the coupons shall remain payable to bearer and shall continue to be transferable by delivery.

Proceedings, Trustees Bowling Green State University

May 12, 19 67

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It is hereby certified and recited that all acts, conditions and things necessary to be done precedent to and in the issuing of this Bond in order to make it the legal, valid and binding obligation of the University in accordance with its terms, and the execution and delivery of said Agreement, have been done and performed and have happened in regular and due form as required by law; that the University has received payment in full for the 1967 Series Bonds; and that no limitation of indebtedness or taxation, either statutory or constitutional, has been exceeded in issuing this Bond.

Neither this Bond nor any of the annexed coupons shall be entitled to any benefit under said Agreement or become valid or obligatory for any purpose until the certificate hereon shall have been signed by the Trustee.

This Bond is executed on behalf of the Board of Trustees of Bowling Green State University solely in their capacity as such Trustees and shall not constitute their personal obligation, either jointly or severally, in their individual capacities.

IN WITNESS WHEREOF, BOWLING GREEN STATE UNIVERSITY AND ITS BOARD OF TRUSTEES, jointly and severally, have caused this Bond to be signed by the facsimile signature of the President of the Board of Trustees and to be signed by the Treasurer of the University, to be attested by the Secretary of the Board of Trustees and to bear a facsimile of the seal of the University, and the interest coupons attached hereto to bear the facsimile signature of the Treasurer of the University, all as of June 1, 1967.

(SEAL)

BOWLING GREEN STATE UNIVERSITY AND
THE BOARD OF TRUSTEES OF
BOWLING GREEN STATE UNIVERSITY

By _____ (facsimile)
President of the Board of Trustees

Attest:

And by

Secretary of the Board of Trustees

Treasurer of Bowling Green State
University

TRUSTEE'S CERTIFICATE

This Bond is one of Bonds described in the within mentioned Agreement.

THE OHIO CITIZENS TRUST COMPANY,
Trustee

By _____
Authorized Officer

(FORM FOR REGISTRATION TO BE PRINTED ON EACH COUPON BOND)

REGISTRATION

<u>Date of Registration</u>	<u>Name of Registered Owner</u>	<u>Signature of Authorized Officer</u>
_____	_____	_____

(COUPON FORM)

Coupon No. _____

\$ _____

ON THE FIRST DAY OF JUNE/DECEMBER, 19__

(, unless the Bond to which this coupon pertains has been duly called for previous redemption,) BOWLING GREEN STATE UNIVERSITY AND ITS BOARD OF TRUSTEES, as such Trustees and not individually, will pay to bearer, but only from the sources and in the manner provided in the Trust Agreement dated June 1, 1967 between the said University and said Board and The Ohio Citizens Trust Company, as Trustee, and not from the general or ordinary funds of the State of Ohio or said Board or University, on the surrender of this coupon at the principal corporate trust office of the Trustee, presently The Ohio Citizens Trust Company, Toledo, Ohio, or, at the option of the holder, at the principal corporate trust office of _____, in the Borough of Manhattan, City and State of New York, without deduction for their Services as the University's paying agents, _____ (\$ _____) in lawful money of the United States of America, being interest then due on Bowling Green State University Student Facilities Revenue Bond, 1967 Series, dated June 1, 1967.

(facsimile signature)
Treasurer of Bowling Green State University

(FULLY REGISTERED BOND FORM)

UNITED STATES OF AMERICA
STATE OF OHIOBOWLING GREEN STATE UNIVERSITY
STUDENT FACILITIES REVENUE BOND, 1967 SERIES

No. R-

\$ _____

KNOW ALL MEN BY THESE PRESENTS that Bowling Green State University, a State University of the State of Ohio, and its Board of Trustees (herein collectively called the "University"), for value received, jointly and severally, hereby promise to pay, as provided in the Agreement described below, solely from the Pledged Receipts, including the Student Facilities Fees, after providing for the Operating and Maintenance Expenses of the Pledged Facilities, all as defined in said Agreement, to _____, or registered assigns, the principal sum of

_____ DOLLARS (\$ _____)
on June 1, 19____, with interest thereon from the date hereof at the rate of _____ per cent (____%) per annum, payable semi-annually on the first day of June and December in each year, commencing December 1, 1967, until payment of said principal sum has been made or duly provided for.

Principal and interest of this Bond are payable in lawful money of the United States of America. Principal is payable on presentation and surrender of this Bond at the principal corporate trust office of the Trustee, presently The Ohio Citizens Trust Company, Toledo, Ohio, without deduction for its services as the University's paying agent. Interest is payable to the registered owner hereof by check or draft mailed to the registered owner at his address as it appears on the bond registration books of the University.

This Bond is one of a duly authorized issue of \$7,500,000 of Student Facilities Revenue Bonds, 1967 Series (herein called the "1967 Series Bonds" and, collectively with additional bonds issued on a parity therewith, called the "Bonds"), of the University, issued pursuant to Section 3345.11 of the Revised Code of Ohio and the Resolution of the Board of Trustees of May 12, 1967 (herein called the "Bond Resolution") and pursuant to a Trust Agreement (herein called the "Agreement") dated as of June 1, 1967 between the University and The Ohio Citizens Trust Company (herein with its successors, called the "Trustee"), for the purpose of paying part of the cost of constructing and equipping certain buildings, structures and facilities to be used for and in connection with health services, athletic purposes and other student activities, all within its campus, including a health services building, a student activities center, a stadium, an ice arena, facilities for track and field events, and related facilities to be used in connection therewith.

The 1967 Series Bonds maturing on and after June 1, 1978 are subject to redemption at the option of the Board prior to maturity in whole or in part and in inverse order of maturity, on any interest payment date on and after December 1, 1977 at par and accrued interest to the redemption date plus redemption premiums as follows: 4% if redeemed on or before June 1, 1982; 3% if redeemed thereafter, but on or before June 1, 1987; 2% if redeemed thereafter, but on or before June 1, 1992; 1% if redeemed thereafter, but on or before June 1, 1997; 1/2% if redeemed thereafter, but on or before June 1, 2002; and without redemption premium if redeemed thereafter. If less than all of the 1967 Series Bonds of any one maturity are to be called for redemption, the coupon Bonds or portions of fully registered Bonds of such Series to be redeemed shall be selected by lot by the Trustees.

Notice of any such intended redemption, specifying by number the Bonds (and portions of fully registered Bonds) to be called, shall be published by the Trustee on behalf of the University at least once a week for two consecutive weeks in a financial journal of national circulation, the first publication to be not less than thirty (30) days prior to said redemption date. If Bonds (and portions of fully registered Bonds) are duly called for redemption and if on such redemption date moneys for the redemption of all the Bonds to be redeemed together with interest to the redemption date, shall be held by the Trustee or Paying Agents so as to be available therefor, then from and after such redemption date such Bonds or portions of fully registered Bonds shall cease to bear interest and any coupons for interest thereon maturing after said redemption date shall be void, and such Bonds or portions of fully registered Bonds shall no longer be deemed to be outstanding under the Agreement.

Anything in the Bonds, the Bond Resolution or the Agreement to the contrary notwithstanding, neither the Bonds nor the indebtedness evidenced thereby, nor the Bond Resolution or the Agreement, shall constitute a claim against or lien upon any property of the State of Ohio or any property of or under the control of said Board of Trustees excepting the Pledged Receipts including the Student Facilities Fees, and neither the State of Ohio nor the University shall be obligated to pay or provide for payment thereof from any funds except such Pledged Receipts including said Student Facilities Fees; the Bonds are not debts or bonded indebtedness of the State, are not general obligations of the State or of the University, neither the full faith and credit of the State nor of the University are pledged to their payment and the bondholders shall have no right to have any taxes or excises levied, collected or applied for or to the payment of principal or interest thereon; provided, however, that nothing herein shall be deemed to prohibit the University, of its own volition, from using to the extent it is lawfully authorized to do so, any of its other resources or revenues for the fulfillment of any of the terms, conditions or obligations of the Agreement, the Bond Resolution or any of the Bonds.

The 1967 Series Bonds, together with such additional bonds as may be issued on a parity therewith under said Agreement, are, and are to be, secured only, but equally and ratably without priority one over another by reason of number or of date of Bond,

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sale, execution or delivery, by the Agreement, creating a prior pledge on the Pledged Receipts, including the Student Facilities Fees, after provision only for Operating and Maintenance Expenses of the Pledged Facilities, all as defined in the Agreement. Under the Agreement the University has covenanted that, while any of the Bonds remain outstanding, it will fix and adjust the fees, charges and rates comprising the Pledged Receipts, including the Student Facilities Fees charged to students enrolled at the main campus of the University, so that the receipts from the Student Facilities Fees will, together with other Pledged Receipts, be sufficient to pay said Operating and Maintenance Expenses of the Pledged Facilities and provide for the payment of the principal of and interest on the Bonds and other payments to the Special Funds required therein.

Reference is hereby made to the Agreement, of which the Bond Resolution constitutes a part, for a more complete description of the nature and extent of the security, the rights of the holders of the Bonds and coupons and of the University and the Trustee in respect of such security, and the terms and conditions upon which said Bonds and coupons are, and are to be, issued and secured, to all of the provisions of which Agreement each holder, by the acceptance hereof, assents.

To the extent and in the manner permitted by its terms, the Agreement may be amended with the written consent of the holders of not less than 66-2/3% of the principal amount of each series of Bonds outstanding affected by such amendment, excluding any Bonds held or owned by the University, but no such action shall result in changing the redemption provisions or interest and principal maturity dates or terms of payment or reducing the principal amount or interest rate on any Bond or imposing any conditions on payment without the consent of the holder.

In an event of default, as defined in said Agreement, shall occur, the principal of this Bond and all other Bonds secured by said Agreement then issued and outstanding may be declared to become due and payable in the manner and with the effect provided by said Agreement.

The holders or registered owners of the Bonds shall not be entitled to institute any suit, action or proceeding at law or in equity to enforce any rights or remedies granted by the Agreement except to the extent and in the manner provided therein.

No provision of this Bond or of the Agreement and no reference herein to the Agreement shall have the effect of incorporating in the terms of this Bond any provision which would alter or impair the obligation of the University, which is absolute and unconditional, to pay, from the sources herein described, the principal of and interest on this Bond at the times and places and in the lawful money provided herein or affect the right of the holder of this Bond to enforce payment thereof from such sources at and after the date of maturity of this Bond without reference to or consent of the Trustee or the holder of any other Bond or coupon.

The 1967 Series Bonds are issuable as coupon bonds, registrable as to principal, in the denomination of \$5,000, and as registered bonds without coupons in denominations of \$5,000 and any multiple thereof. Registered bonds without coupons may be exchanged for coupon bonds or for other registered bonds without coupons, and coupon bonds may be exchanged for registered bonds without coupons, all on the terms and under the conditions and upon payment of the charges, if any, and with the effect provided in the Agreement.

This Bond is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the office of the Trustee under the Agreement, but only in the manner, subject to limitations, and upon payment of the charges, if any, and with the effect provided in the Agreement. It is hereby certified and recited that all acts, conditions and things necessary to be done precedent to and in the issuing of this Bond in order to make it the legal, valid and binding obligation of the University in accordance with its terms, and the execution and delivery of said Agreement, have been done and performed and have happened in regular and due form as required by law; that the University has received payment in full for the 1967 Series Bonds; and that no limitation of indebtedness or taxation, either statutory or constitutional, has been exceeded in issuing this Bond.

This Bond shall not be entitled to any benefit under said Agreement or become valid or obligatory for any purpose until the certificate hereon shall have been signed by the Trustee.

This Bond is executed on behalf of the Board of Trustees of Bowling Green State University solely in their capacity as such Trustees and shall not constitute their personal obligation, either jointly or severally, in their individual capacities.

IN WITNESS WHEREOF, BOWLING GREEN STATE UNIVERSITY AND ITS BOARD OF TRUSTEES, jointly and severally, have caused this Bond to be signed by the facsimile signature of the President of the Board of Trustees and to be signed by the Treasurer of the University, and to be attested by the Secretary of the Board of Trustees and to bear a facsimile of the seal of the University, all as of _____.

(SEAL)

BOWLING GREEN STATE UNIVERSITY AND THE
BOARD OF TRUSTEES OF
BOWLING GREEN STATE UNIVERSITY

By _____ (facsimile)
President of the Board of Trustees

Attest:

And by

Secretary of the Board of Trustees

Treasurer of Bowling Green State University

TRUSTEE'S CERTIFICATE

This Bond is one of Bonds described in the within mentioned Agreement.

THE OHIO CITIZENS TRUST COMPANY,
Trustee

By _____
Authorized Officer

(FORM OF ASSIGNMENT TO BE PRINTED ON EACH FULLY REGISTERED BOND)

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and does hereby irrevocably constitute and appoint _____ attorney to transfer the said Bond on the books for registration of the within Bond, with full power of substitution in the premises.

Dated _____, 19____

In the presence of:

WHEREAS, all acts and things prescribed by law and otherwise necessary to make the Bonds, when authenticated by the Trustee and issued by the University as in this Agreement provided, valid, legal and binding obligations of the University according to their import, and to constitute this Agreement a valid Agreement to secure the payment of the principal of and interest on the Bonds, have been duly done, performed and complied with, and the creation, execution and delivery of this Agreement have in all respects been duly authorized;

NOW, THEREFORE, THIS AGREEMENT WITNESSETH:

That the University, in consideration of the premises and of the mutual covenants herein contained and of the purchase and acceptance of the Bonds by the holders thereof and of the sum of One Dollar (\$1.00) to it duly paid by the Trustee at or before the ensealing and delivery of these presents and for other valuable considerations, the receipt whereof is hereby acknowledged, and for the purpose of fixing and declaring the terms and conditions upon which the Bonds and interest coupons are to be and may be issued, authenticated, delivered, secured and accepted by all persons who shall from time to time be or become the holders thereof, and in order to secure the payment of the principal of and interest on the Bonds at any time issued and outstanding under this Agreement, according to their tenor and effect, and the performance and observance of all the covenants and conditions in said Bonds and herein contained, has executed and delivered this Agreement and has pledged and by these presents does hereby pledge unto The Ohio Citizens Trust Company, Toledo, Ohio, as Trustee, and to its successors in said trust and to it and its assigns, and does hereby covenant and agree to apply the Pledged Receipts to the extent and in the manner in this Agreement provided.

The pledge and provisions for application of the Pledged Receipts herein made are and shall be, subject to the provisions of this Agreement, for the equal and proportionate benefit, security and protection of all Bonds and interest coupons issued or to be issued under and secured by this Agreement without preference, priority or distinction of any Bond or coupon over any other Bond or coupon or of any series of Bonds by reason of priority in the time of the execution, authentication, issue or sale thereof, or otherwise for any cause whatsoever, so that, except as aforesaid, each and every Bond or coupon issued hereunder shall have the same right and privilege under and by virtue of this Agreement as if all had been dated, executed, authenticated, issued, and sole simultaneously with the execution and delivery of this Agreement.

And it is further covenanted and agreed that the Bonds are to be issued, authenticated and delivered and that the Pledged Receipts shall be held, accounted for and disposed of under the following covenants, conditions and trusts; and the University, for itself and its successors, does hereby covenant and agree with the Trustee and its successors in trust hereunder, for the benefit of whomsoever shall hold the Bonds and interest coupons, as follows:

ARTICLE 1

FORM, EXECUTION, AUTHENTICATION, REGISTRATION AND EXCHANGE OF BONDS

Section 1.01. Form of Bonds. The Project Bonds, Coupons, Trustee's authentication certificate and the form of registration shall be substantially in the forms set forth in the preambles to this Agreement, and in the case of other series, with such omissions, insertions, and variations as may be permitted by the resolution authorizing such series consistent with this Agreement and the Bond Resolution. The Bonds may contain such specifications or may have imprinted thereon such legends as the University may deem appropriate and not inconsistent with the provisions of this Agreement or the Bond Resolution.

Section 1.02. Terms of Additional Bonds. Any series of Bonds issued under this Agreement subsequent to the Project Bonds (herein called Additional Bonds) shall have such maturities, interest rates, interest payment dates, redemption provisions, denominations, registration provisions and other terms as provided in the resolution authorizing issuance or award thereof, provided that such terms and provisions shall not be inconsistent with the Bond Resolution or this Agreement.

Section 1.03. Execution of Bonds - Authentication. The Bonds and coupons shall be executed in the manner provided in the resolution authorizing such Bonds.

Neither any Bond nor any coupon thereto annexed shall be valid or become obligatory for any purpose or shall be entitled to any security or benefit under this Agreement unless and until the authentication certificate shall have been duly endorsed upon such Bond, and such authentication by the Trustee upon any Bond shall be conclusive evidence that the Bond so authenticated has been duly authenticated and delivered hereunder and that the holder is entitled to the security of this Agreement. The Certificate of the Trustee may be executed by the President, Vice President, or any other officer of the Trustee or by any other person duly authorized by the Trustee.

The Trustee shall not authenticate or deliver any Bonds unless all coupons annexed thereto and then matured shall have been detached and cancelled, except as may be permitted under Sections 1.04 and 1.05 hereof.

Section 1.04. Transfer, Exchange and Registration of Bonds. Unless otherwise provided in the resolution authorizing a particular series of Bonds, the Bonds are issuable as Coupon Bonds, registrable as to principal, in the denomination of \$5,000, and also as Registered Bonds without coupons in denominations of \$5,000 and any multiple thereof approved by the officers executing such Bonds, such approval to be evidenced by the execution thereof. Each Registered Bond without coupons shall be of a single maturity; provided, however, that the Fiscal Officer with approval of the Trustee may authorize issuance of Registered Bonds without coupons representing more than one maturity and appropriate changes shall be made in the bond form for such purpose. Each Registered Bond shall bear interest from its date and shall be dated as of the interest payment date next preceding the date of its authentication, unless authenticated upon an interest payment date, in which case it shall be dated as of the date of its authentication; provided, however, that if at the time of authentication of any Registered Bond without coupons, interest is in default, such Bond shall be dated as of the date to which interest has been paid, and if authenticated prior to the first interest payment date of such series of Bonds, such Bond shall be dated as of the same date as the Coupon Bonds of that series.

The principal of all Registered Bonds and of Coupon Bonds registered as to principal alone shall be payable at the principal corporate trust office of the Trustee, and payment of the interest on Registered Bonds without coupons shall be made on each interest payment date to the person appearing on the registration books hereinafter provided for as the registered owner thereof, by check or draft mailed by the Trustee to such registered owner at his address as it appears on such registration books.

Coupon Bonds, upon surrender thereof at the principal corporate trust office of the Trustee with all unmatured coupons and all matured coupons in default, if any, appertaining thereto may, at the option of the holder or registered owner thereof, and if authorized by law, be exchanged for an equal aggregate principal amount of Registered Bonds without coupons, of any denomination or denominations authorized by this Agreement and bearing interest at the same rate and maturing on the same date or dates.

Registered Bonds without coupons, upon surrender thereof at the principal corporate trust office of the Trustee, together with an assignment duly executed by the registered owner of his attorney in such form as shall be satisfactory to the Trustee, may, at the option of the registered owner thereof, be exchanged for Coupon Bonds bearing interest at the same rate and maturing on the same date or dates, with coupons attached representing all unpaid interest due or to become due thereon, or for Registered Bonds without coupons of any denomination or denominations authorized by this Agreement in the aggregate principal amount equal to the principal amount of such Registered Bonds, or the unredeemed portion thereof, and bearing interest at the same rate and maturing on the same date or dates.

Title to any Coupon Bond, unless such Bond is registered as to principal, and to any interest coupon shall pass by delivery in the same manner as a negotiable instrument payable to bearer. At the option of the bearer, any Coupon Bond may be registered as to principal on books kept for the purpose by the Trustee, upon presentation thereof to the Trustee which shall make notation of such registration thereon. Any such Bond registered as to principal may thereafter be transferred only upon an assignment duly executed by the registered owner or his attorney in such form as shall be satisfactory to the Trustee, such transfer to be made on such books and endorsed on the Bond by the Trustee. Such transfer may be to bearer and thereby transferability by delivery shall be restored, subject, however, to successive registrations and transfers as before.

Any Registered Bond without coupons may be transferred only upon the books kept for the registration and transfer of bonds, upon surrender thereof at the principal corporate trust office of the Trustee together with an assignment duly executed by the registered owner or his attorney in such form as shall be satisfactory to the Trustee. Upon the transfer of any such Registered Bond and on request of the Trustee, the University shall execute, in the name of the transferee and the Trustee shall authenticate and deliver, a new Registered Bond or Bonds, without coupons, of any denomination or denominations authorized by this Agreement, or, at the option of the transferee, Coupon Bonds with coupons attached representing all unpaid interest due or to become due thereon, in aggregate principal amount equal to the principal amount of such Registered Bond, or the undredeemed portion thereof, and bearing interest at the same rate and maturing on the same date or dates.

In all cases in which Bonds shall be exchanged or Registered Bonds without coupons shall be transferred hereunder, the University shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provisions of this Agreement. All Bonds and coupons surrendered in any such exchange or transfer shall forthwith be cancelled by the Trustee. Except as otherwise provided in the Bond Resolution, the

University and Trustee may make a charge for every such exchange or transfer of Bonds sufficient to reimburse them for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer and the University and Trustee may charge a sum sufficient to reimburse them for all costs and expenses incurred in connection with such exchange or transfer, and such charge or charges shall be paid before any such new Bond shall be delivered. Neither the University nor the Trustee shall be required to make any such exchange or transfer of any Bond during the ten (10) days next preceding an interest payment date on the Bonds or next preceding any selection of Bonds to be redeemed, or after such Bond has been selected for redemption.

As to any Coupon Bond registered as to principal alone or Registered Bond without coupons, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Bond and the interest on such Registered Bond without coupons shall be made only to or upon the order of the registered owner thereof or his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid. The University, the Trustee and any Paying Agent may deem and treat the bearer of any Coupon Bond which shall not at the time be registered as to principal, and the bearer of any coupon appertaining to any Coupon Bond whether such Coupon Bond shall be registered as to principal or not, as the absolute owner of such Bond or coupon, as the case may be, whether such Bond or coupon shall be overdue or not, for the purpose of receiving payment thereof and for all other purposes whatsoever, and neither the University, the Trustee nor any Paying Agent shall be affected by any notice to the contrary.

The University agrees, out of the proceeds of the sale of Bonds and the Pledged Receipts, to indemnify and save the Trustee and Paying Agents harmless from and against any and all loss, costs, charges, expense, judgments or liability incurred by them, acting in good faith and without negligence hereunder, in so treating such bearer or registered owner.

In case any Registered Bond without coupons is redeemed in part only, the Trustee, on or after the redemption date and upon surrender of such Bond, shall issue a new Bond or Bonds in principal amount equal to the unredeemed portion of such Bond.

So long as any of the Bonds remain outstanding, the University will cause to be maintained and kept, at the principal office of the Trustee, books for the aforesaid registration and transfer of Bonds.

Section 1.05. Replacement of Mutilated, Destroyed, Lost or Stolen Bonds. In case any Bond shall become mutilated or destroyed, lost or stolen, the University in its discretion may execute, and upon its request the Trustee shall authenticate and deliver, a new Bond (with coupons corresponding to the coupons, if any, annexed to the mutilated, destroyed, lost or stolen Bond) of the same series and of like tenor, bearing the same or a different serial number, in exchange and substitution for, and upon cancellation of, the mutilated Bond, or in lieu of and substitution for the Bond so destroyed, lost or stolen. The applicant for any Bond in lieu of one lost, destroyed or stolen shall furnish to the University and the Trustee evidence of ownership and of the loss, destruction or theft thereof, which evidence shall be satisfactory to the University and the Trustee in their discretion; and any applicant for a new Bond shall also furnish indemnity satisfactory to both of them in their discretion, and shall pay, if demanded, to the University an amount sufficient to reimburse it for the expense incurred in such issue.

Section 1.06. Cancellation of Bonds. In every case of the surrender of any Bond or Bonds or any coupon or coupons for the purpose of payment or retirement, or for replacement pursuant to Section 1.05, the Trustee shall cancel the same and execute and deliver to the University a certificate of cancellation.

Section 1.07. Terms of Project Bonds. The terms of the Project Bonds shall be as provided in the Bond Resolution and this agreement.

ARTICLE 2

ISSUANCE OF BONDS

Section 2.01. Amount of Bonds Unlimited Except as Restricted by Trust Agreement.

This Agreement constitutes a continuing agreement to secure the full and final payment in the manner herein provided of the principal of and interest on all Bonds which may, from time to time, be authenticated, delivered and issued hereunder. The aggregate principal amount of Bonds which may be so authenticated, delivered and issued hereunder is not limited except as restricted by law or by the provisions of this Agreement.

Section 2.02. Issuance of the Project Bonds. The Project Bonds shall be executed on behalf of the University and shall be authenticated and delivered by the Trustee to the purchasers thereof in the manner provided in the Bond Resolution upon the written request of the University signed by the Executive Officer or Fiscal Officer of the University. The proceeds of sale of the Project Bonds shall be deposited by the University as provided in the Bond Resolution.

Section 2.03. Additional Bonds - Instruments Required in Connection with Authentication of Additional Bonds. Additional Bonds may be issued under and secured by this Agreement for the purposes and on the conditions provided in the Bond Resolution. No such Additional Bonds shall be authenticated and delivered by the Trustee unless in each case there shall be delivered to the Trustee, in addition to the applicable certificates provided for in the Bond Resolution, the following:

- (1) a written application for authentication signed by the Executive officer or Fiscal Officer of the University;

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- (2) a certified copy of a resolution of the Board of Trustees declaring that a necessity exists as recited therein to obtain the funds that are to be provided in whole or in part through the issuance of the Additional Bonds then to be authenticated and delivered and fixing and determining the provisions and the form of the Additional Bonds as provided in Section 1.02 hereof;
- (3) an agreement supplemental to this Agreement, executed by the University and the Trustee, setting forth the forms of the Additional Bonds, the location of the site of the new facilities, if any, together with a certified copy of a resolution authorizing the execution of such supplemental agreement;
- (4) a certificate of the Executive Officer and the Fiscal Officer of the University stating (a) that they know of no existing facts which would be an event of default under this Agreement and they know of no facts which, on the granting of the application for the authentication of Additional Bonds then being made, would result in the University being in default in the performance of any of the terms or covenants of this Agreement, (b) that, in the opinion of the signers thereof, all conditions provided in the Agreement precedent to the granting of the application then being made have been complied with, (c) that, since the beginning of the fiscal year in which the Additional Bonds are to be authenticated and delivered there has been no material change which would adversely affect the estimates (if any) made pursuant to Section 6 of the Bond Resolution, and (d) that, the proceeds of the Additional Bonds, together with such other specified funds available and earmarked therefor, if any, will be sufficient to accomplish the purpose for which the Additional Bonds are to be issued;
- (5) an opinion of University counsel, (a) if the Additional Bonds are to be issued for the construction or completion of Pledged Facilities, that the University has or will have a valid and existing right to the use and occupancy of the site thereof and the right to construct, operate and manage said facilities thereon and that such site is not subject to any existing lien or other charge, and (b) that the documents submitted to the Trustee in connection with the application then being made comply with the requirements of this Agreement and the Bond Resolution and that in his opinion all conditions precedent to the issuance of such Additional Bonds as provided in this Agreement and the Bond Resolution have been complied with;
- (6) an opinion of Bond Counsel that the Additional Bonds, the authentication of which is then applied for, when duly executed and authenticated and delivered by the Trustee and issued by the University, will be valid and binding obligations of the University in accordance with their terms and that, subject to the terms of this Agreement, said Additional Bonds will be secured by the pledge of the Pledged Receipts equally and pro-rata with all Bonds at the time outstanding hereunder.

ARTICLE 3

REDEMPTION OF BONDS

Section 3.01. Redemption Procedure. The Project Bonds shall be redeemable in the order and manner provided in the Bond Resolution and Additional Bonds shall be redeemable in the order and manner provided in the Bond Resolution, or, to the extent permitted in the Bond Resolution, in the order and manner provided in the resolution authorizing the same. The affidavit of any officer of the University or of any employee of the newspaper directed to make publication of notice of redemption shall be full and complete authority to the Trustee for any action to be taken by it in reliance thereon.

Section 3.02. Redemption Payment. Publication of the notice of redemption having been completed as above provided the Bonds or portions of Registered Bonds called for redemption shall become due and payable on such redemption date, and, if on said date moneys for the redemption of all the Bonds to be redeemed, together with interest to the redemption date, shall be held by the Trustee or Paying Agents so as to be available therefor, then from and after such redemption date such Bonds or portions of Registered Bonds shall cease to bear interest and the coupons for interest thereon maturing subsequent to the redemption date shall be void, and such Bonds or portions of Registered Bonds shall no longer be deemed to be outstanding hereunder.

The sums so due for principal and premium, if any, of any Bonds shall be payable to the bearer of any Bond unless it shall have been registered as to principal, and, if it shall have been registered then such payment shall be made to the registered holder or owner of such Registered Bond, but in no case shall such payment be required to be made except upon surrender of such Bond and of all unmatured coupons, if any, for interest thereon. All coupons for interest which shall have matured on or prior to the date of redemption designated in such notice shall continue to be payable, but without interest thereon, after the date fixed for redemption, to the respective bearers of such coupons. If a portion of a Registered Bond is called, a new Registered Bond for the unredeemed portion shall be issued to the holder without charge.

All moneys held by the Trustee or Paying Agents for the redemption of particular Bonds shall be held in trust for the account of the holders thereof and shall be paid to them respectively upon presentation and surrender of said Bonds.

All Bonds redeemed pursuant to the provisions of this Article 3 and unmatured coupons pertaining thereto shall be cancelled by the Trustee, and a certificate of cancellation thereof shall be executed and delivered by the Trustee to the University.

ARTICLE 4

INSURANCE

Section 4.01. Fire and Extended Coverage and Boiler Insurance. So long as Bonds are outstanding hereunder, the University shall obtain or require the construction contractors to obtain, and shall at all such times maintain or cause to be maintained in force such fire and extended coverage insurance on the Pledged Facilities in amounts sufficient to provide for not less than full recovery whenever the loss from perils insured against does not exceed eighty per cent (80%) of the full insurable value of the property to be so insured. So long as any Bonds are outstanding hereunder, the University shall also maintain boiler insurance covering any steam boilers servicing the Pledged Facilities in a minimum amount of \$50,000.

Section 4.02. Application of Insurance Proceeds. Within a reasonable time after the occurrence of any loss or damage to or destruction of any part of the Pledged Facilities covered by the insurance procured and maintained under Section 4.01, the University shall determine whether to apply the proceeds of such insurance to the extent required for the purpose of repairing or reconstructing the damaged facility or part thereof. If the University elects so to apply the proceeds, the repairs or reconstruction shall be completed as expeditiously as possible. If the University elects not to apply the proceeds for the purpose of repair or reconstruction, such proceeds shall be deposited in the Debt Service Reserve Fund created under Section 5 of the Bond Resolution. The insurance proceeds, until invested or applied for the purpose herein provided or transferred to the Debt Service Reserve Fund, shall be maintained in a separate account, in the name of the University, in a bank deposit.

Pending disbursement for the purpose aforesaid the University may from time to time invest and reinvest all or any part of such unexpended insurance proceeds determined by the University not to be needed within the next succeeding thirty (30) days for the purposes hereinabove set forth in direct obligations of, or obligations the principal of and interest on which is guaranteed by, the United States, maturing or redeemable by the holder not more than two (2) years subsequent to the date of investment therein, but in no event later than the time or times at which such moneys will be needed for the purposes above stated. Interest accruing on any such investments shall be credited or debited to the balance of such unexpended insurance proceeds. Pending application for the uses and purposes herein provided, the moneys and investments carried to the credit of the unexpended insurance proceeds shall be subject to a lien and charge enforceable by the Trustee to require that such funds be applied as herein provided.

Section 4.03. Miscellaneous Insurance Provisions. The University shall deposit with the Trustee, at such time as the Trustee may reasonably request, a detailed statement of the policies of insurance then outstanding and in force.

All of the policies of insurance referred to above in this Article 4 shall be in companies and in amounts satisfactory to the Trustee. In case the Trustee shall at any time notify the University in writing that it disapproves of any insurance company or of the amount of any policy the University will use its best efforts forthwith to procure or cause to be procured other insurance satisfactory to the Trustee, if such insurance can be obtained at reasonable rates from established and responsible United States insurance companies. All of such insurance may be provided in and under any blanket policy or policies covering such of the Pledged Facilities, and any steam boilers servicing such facilities, that are required by this Agreement to be insured, together with other property of the University.

ARTICLE 5

ADDITIONAL COVENANTS OF THE UNIVERSITY

The University hereby warrants, covenants and agrees as follows:

Section 5.01. Authority for Bonds. That it is duly authorized under the laws of the State of Ohio and under all other applicable provisions of law to create and issue the Bonds herein provided for, to execute and deliver this Agreement and to pledge and apply the Pledged Receipts as herein provided; that all actions on its part necessary for the creation and issuance of the Bonds and the execution of this Agreement have been duly and effectively taken; that said Bonds when issued and in the hands of the holders thereof will be valid and enforceable obligations of the University according to the import thereof; that this Agreement is and always will be a valid Agreement to secure the payment of said Bonds and the University has complete and lawful authority and privilege to acquire, construct, equip, maintain, renovate, repair, improve, remodel, operate, control and manage the Pledged Facilities as herein provided.

Section 5.02. Right to Use and Occupancy of the Pledged Facilities and Covenant Not to Encumber Same. That upon completion thereof it will have a valid and existing right to the use and occupancy of the Pledged Facilities and has the right to acquire, construct, equip, maintain, renovate, repair, improve, remodel, operate, control and manage the same, subject only to the rights of the Trustee and bondholders hereunder; that the Pledged Facilities will be subject to no lien, pledge or encumbrance, and the Pledged Receipts will be free from any lien, pledge or encumbrance, prior to or on parity with the lien, pledge or encumbrance under this Agreement; that except as permitted by this Agreement it will not dispose of its title to the Pledged Facilities or any portion thereof and the land or interests in land comprising the sites thereof; that it will, from funds lawfully available therefor, within sixty days after the same shall accrue, pay and discharge, or cause to be paid and discharged, all lawful claims and demands of mechanics, laborers and others which if unpaid might by law become liens upon the Pledged Facilities.

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Section 5.03. To Pay Principal and Interest. That it will, from the Pledged Receipts and Special Funds to the extent and in the manner provided in this Agreement, duly and punctually pay or cause to be paid the principal sum and the interest accruing on said principal, on each and every one of the Bonds secured or to be secured hereby, at the dates and places, and in the manner provided in said Bonds, and in the coupons thereunto appertaining, according to the terms thereof.

Section 5.04. Taxes. That it will, from the Pledged Receipts and Special Fund available for such purpose, and as part of the Operating and Maintenance Expenses of the Pledged Facilities, pay and discharge all taxes, assessments and Governmental charges which shall be lawfully imposed upon the Pledged Facilities or operation thereof, provided however, that the University shall not be required to pay any such tax, assessment, charge or claim so long as the University in good faith and by appropriate legal proceedings shall contest the validity thereof or its enforceability as a lien in such manner that the delay occasioned thereby will not subject the Pledged Facilities or any part thereof to forfeiture or sale.

Section 5.05. Payment of Trustee and the Bondholders' Costs and Expenses. That it will, from the Pledged Receipts and Special Fund available for such purpose, and as part of the Operating and Maintenance Expenses of the Pledged Facilities, pay the reasonable compensation of the Trustee and Paying Agents and all and singular the costs, charges and expenses, including, to the extent legal, reasonable attorney fees, reasonably incurred or paid at any time by the Trustee or any successor Trustee, or by the holder of any of the Bonds, because of the failure on the part of the University to perform, comply with and abide by each and every of the stipulations, agreements, conditions and covenants of the Bonds and this Agreement, or either of them.

Section 5.06. Covenants and Obligations in Bond Resolution. That it will duly and punctually perform all the covenants, agreements and obligations to be performed under the Bond Resolution.

Section 5.07. Covenant of Further Assurance. That it will execute and deliver such further instruments and take such further action as may be required to carry out the purposes of the Bond Resolution and this Agreement and to comply with all provisions of law.

Section 5.08. Compliance with Requirements of Law. That it will comply with all laws, rules and orders of any governmental body or officers exercising any power of regulation or supervision over it, and it will make any repairs or remodeling of the Pledged Facilities or any part thereof that may be required by any such rule or regulation or that may be necessary to maintain in force any insurance required hereby with respect to any part of the Pledged Facilities, provided, however, that it shall have the right while it is in good faith contesting the validity of any such law, rule or order in any reasonable manner, to delay or refuse to comply therewith.

ARTICLE 6

ABANDONMENT OF PLEDGED FACILITIES

Section 6.01. Conditions Under Which Pledged Facilities May Be Abandoned. The University shall not permanently abandon the use of the Pledged Facilities or any portion thereof as Pledged Facilities under this Agreement unless either of the following conditions exists: (a) the Pledged Facilities or such portion thereof to be abandoned is to be replaced by another structure, building or facility capable of producing at least as much net Pledged Receipts, exclusive of the Student Facilities Fees, as is produced, exclusive of the Student Facilities Fees, by the Pledged Facilities or portion thereof being abandoned and the Pledged Receipts with respect to such other structure, building or facility will be free from all prior liens, claims and encumbrances except as provided in this Agreement, and are pledged to the security of the Bonds by resolution of the Board, or (b) the Pledged Receipts, excluding those attributable to the Pledged Facilities or such portion thereof to be abandoned but including all the Student Facilities Fees, during the last Fiscal Year, as adjusted for any changes in fees, rates, rentals, or other charges placed in effect since the beginning of such last Fiscal Year, are sufficient to provide for payment of the Operating and Maintenance Expenses of the Pledged Facilities, excluding those attributable to the Pledged Facilities or portion thereof being abandoned, and for the required deposits to the Debt Service Fund and Debt Service Reserve Fund.

ARTICLE 7

EVIDENCE OF RIGHTS OF BONDHOLDERS

Section 7.01. Notices. Any notice, demand, request or other instrument required by this Agreement to be signed or executed by the holders of Bonds may be in any number of concurrent writings of similar tenor and may be signed or executed by such holders in person or by their agent or agents duly appointed in writing. As a condition to acting hereunder, the Trustee may, but shall not be required to, demand proof of the execution of any such instrument or of the fact that any person claiming to be the holder of any Bond is such holder, and, for such purpose and notwithstanding any other provision of this Article, the Trustee may further require the actual deposit of such Bond with the Trustee.

Section 7.02. Manner of Proof. Proof of the execution of any such notice, demand, request or other instrument, or of the writing appointing any such agent, or of the owning or holding by any person of any Bond, shall be sufficiently made for any purpose of this Agreement and shall be conclusive in favor of the Trustee and the University with regard to any action taken under such notice, demand, request or other instrument, if made in the following manner:

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(a) The fact and date of the execution by any person of any such notice, request or other instrument in writing, either (i) by the verification of any notary or other officer in any jurisdiction authorized to take acknowledgments of deeds to be recorded within such jurisdiction, to the effect that the person who signed such notice, demand, request or other instrument acknowledged to him the execution thereof, or (ii) by the affidavit of a witness to such execution.

(b) The fact of the holding by any person of Coupon Bonds and the serial number of such Bonds and the date of his holding the same (unless such Bonds be registered), either (i) by producing and exhibiting the Bonds to the Trustee or (ii) by a certificate executed by any trust company, bank, banker or other depository, wherever situated, if such certificate shall be deemed by the Trustee to be satisfactory, showing that at the date therein mentioned the Bonds specified in such certificate were so held, or (iii) by the certificate or affidavit of the person executing such notice, demand, request or other instrument as a holder of such Bonds, if such certificate or affidavit shall be deemed by the Trustee to be satisfactory, The Trustee and the University may conclusively assume that such ownership continues until notice to the contrary is received by the Trustee.

But nothing in this Article shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which it may deem sufficient.

Section 7.03. Action Binding Upon Future Bondholders. Any action taken or permitted by the Trustee at the request or with the consent or acquiescence of any person who is at the time of such consent or acquiescence the holder of any Bond or coupon shall be conclusive and binding upon all future holders thereof.

In computing any percentage of Bonds required or permitted hereunder for any consent, waiver, demand, request, approval or other action of the bondholders, said percentage shall be deemed to be a percentage of the principal amount of Bonds then outstanding excluding Bonds owned or held by the University.

ARTICLE 8

CONCERNING THE TRUSTEE AND PAYING AGENTS

Section 8.01. Designation of Paying Agents. The banks or trust companies designated in the Bond Resolution or the resolution providing for the authorization or award of a particular issue of Bonds shall be the Paying Agent or Paying Agents for the applicable issue of Bonds, and in lieu of such designation the Trustee shall be the Paying Agent.

Any bank or trust company with or into which any Paying Agent may be merged or consolidated, or to which the assets and business of such Paying Agent may be sold, shall be deemed the successor of such Paying Agent for the purposes of this Agreement. If the position of Paying Agent shall become vacant for any reason, the University shall, within thirty (30) days thereafter, appoint a bank or trust company located in the same city as such Paying Agent to fill such vacancy; provided, however, that if the University shall fail to appoint such Paying Agent within said period, the Trustee shall make such appointment.

The Paying Agents shall enjoy the same protective provisions in the performance of their duties hereunder as are specified in Section 8.02 with respect to the Trustee, insofar as such provisions may be applicable.

Section 8.02. Trustee's Acceptance and Responsibilities. The Trustee hereby accepts the trusts and powers and assumes the duties herein created, granted and imposed upon it, but only upon and subject to the express terms and conditions of this Agreement, to all of which the respective holders of Bonds, the Trustee and the University, each unto the other, agree, including the following terms and conditions:

(a) Except for its certificate of authentication upon the Bonds, the Trustee shall not be responsible for any recital herein or in the Bonds (which recital shall be deemed to be made solely by the University) nor shall the Trustee be responsible for insuring any properties or for collecting any insurance moneys, or for the deposit, application or expenditures of insurance money, or for the execution, filing, recording, validity, priority or extension of this Agreement or of any Supplemental Agreement, or for the sufficiency of the security, or for the reduction of any taxes, charges, assessments or liens upon the property of the University, or otherwise as to the maintenance of the security hereof, and, except as otherwise expressly provided in this Agreement, the Trustee shall not be responsible for the deposit, application or expenditure of the proceeds of the Bonds, for the construction or maintenance of the Pledged Facilities, or for the deposit of Pledged Receipts, all of which shall be deemed covenants of the University, and shall not be bound to ascertain or inquire as to the correctness of any information, statements, reports or certificates furnished or to be furnished it by the University or as to the performance or observance of any covenant, condition or agreement on the part of the University; but the Trustee may require of the University full information and advice as to the performance of all such covenants, conditions and agreement and as to the condition of the Pledged Facilities.

(b) Except as otherwise expressly provided in this Agreement, the Trustee shall not be under any obligation to take any action towards the execution or enforcement of the trusts hereby created, or to institute, appear in or defend any suit in respect of the Bonds or of this Agreement or of the Pledged Receipts unless indemnified from time to time to its satisfaction against any expense or liability connected therewith.

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(c) The Trustee shall be entitled, as to the existence or nonexistence of any fact, to rely upon a certificate signed by an authorized officer of the University as sufficient evidence of the facts therein recited, and shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient; but in its discretion, at the reasonable expense of the University, the Trustee in every case may, but shall not be required to, obtain such further evidence as it may deem necessary or advisable.

(d) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed by it to be genuine and correct and to have been signed or sent by the person by whom any such paper or document shall purport to have been signed, sent or delivered.

(e) Except as otherwise expressly provided in this Agreement, wherever herein there is any provision for any security or securities, indemnity or indemnity bond or surety bond to be furnished to the University or to the Trustee, the requisite amount, sufficiency, propriety and validity of the same may be determined by the Trustee in its sole discretion, and the discretion of the Trustee shall be conclusive and binding upon the University and upon all holders from time to time of the Bonds and coupons.

(f) The Trustee, in its discretion, is authorized at any time to permit the holder of any Bond to inspect any statement, instrument, opinion or certificate filed with the Trustee by the University or by any person, firm or corporation acting for the University.

(g) The Trustee may become the owner of Bonds and coupons, and may join in any action which any holder of Bonds may be entitled to take, with like effect as though it were not a party to this Agreement. The Trustee may act as depository for, and permit any of its officers or directors to act as a member or members of, or in any other capacity with respect to any committee formed to protect the rights of the holders of the Bonds or to effect or aid in any reorganization growing out of or involving the enforcement of the Bonds or of this Agreement.

(h) Except as required by law, the Trustee shall not be required to give any bond or security with respect to execution of the trusts and powers created by this Agreement.

(i) The Trustee shall not be bound to recognize any person as a holder of the Bonds until his title to the Bonds which he claims to hold, if disputed, shall have been established to its reasonable satisfaction.

Section 8.03. Moneys and Securities Held by the Trustee or Paying Agents. All moneys and securities held by the Trustee or any Paying Agent at any time pursuant to the terms of this Agreement shall be and hereby are assigned, transferred and set over unto said Trustee or Paying Agent in trust for the holders of the Bonds and coupons in accordance with this Agreement subject to the rights of the Trustee and application thereof as provided in this Agreement.

All moneys held by the Trustee or any Paying Agent shall be treated by them as a trust deposit, without liability for interest except to the extent that such interest, if any, is paid on other similar deposits.

Section 8.04. Compensation. Subject to any contract between the University and the Trustee, the Trustee shall be paid from the Revenue Fund reasonable compensation for all services rendered hereunder, and also all reasonable expenses, charges, counsel fees and other disbursements and those of its attorneys, agents, and employees, incurred in and about the performance of its powers and duties hereunder. The University further agrees, out of the proceeds of the sale of Bonds and Pledged Receipts and no other funds, to indemnify and save the Trustee harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder, and which are not due to its negligence or default.

Section 8.05. Resignation and Removal. The Trustee may resign at any time by giving not less than sixty days' written notice to the University of the effective date of such resignation, and by giving published notice as hereinafter provided, and such resignation shall take effect on the date specified in such notice to the University unless previous to such date the University or the Bondholders shall have appointed a successor trustee which shall have accepted the trusts hereof, in which event the resignation shall take effect upon such acceptance by the successor trustee. The Trustee shall cause notice of such resignation to be published once a week for two consecutive weeks in the same newspaper or newspapers in which redemption notices are required to be published, such notice to be first published not more than fifteen days following the aforesaid notice to the University. Like notice shall be given where the Trustee is for any other reason unable to continue its duties as Trustee hereunder. The Trustee may be removed by an instrument or concurrent instruments in writing signed by or on behalf of the holders of a majority in principal amount of the Bonds outstanding, and delivered to the Trustee and the University.

The Trustee may be removed at any time for any breach of trust or violation of this Agreement at the request of the University by any court of competent jurisdiction. Except while an event of default shall have happened and be continuing under this Agreement, the Trustee may also be removed at any time for any breach of trust or violation of this Agreement by a resolution duly passed by the University; provided, however, that in the event of any such alleged breach of trust or violation, the University shall notify the Trustee in writing thereof and afford the Trustee at least thirty (30) days to cure

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or correct any such alleged breach of the trust or violation of this Agreement. In the event the Trustee does not agree that any breach of trust or violation of this Agreement has been committed by the Trustee, the Trustee shall not be removed by the University, but the question shall be submitted for decision to a court of competent jurisdiction. The resignation or removal of any Trustee, however, shall not affect the liability, if any, of such Trustee for any of its actions while Trustee.

Section 8.06. Appointment of Successor Trustee. If at any time the Trustee shall resign, or shall be removed, be dissolved or otherwise become incapable of acting, or the bank or trust company acting as Trustee shall be taken over by any governmental official, agency, department or board, the position of Trustee shall thereupon become vacant. If the position of Trustee shall become vacant for any of the foregoing reasons or for any other reason, the University shall appoint a Trustee to fill such vacancy. The University shall publish notice of any such appointment by it made once in each week for four successive weeks in a daily newspaper of general circulation published in the City of Toledo, Ohio, and also in a financial journal or daily newspaper of general circulation published in the Borough of Manhattan, City and State of New York, and before the second publication of such notice shall mail a copy thereof to the Original Purchaser.

At any time within one year after any such vacancy shall have occurred, the holders of a majority in principal amount of the Bonds then outstanding, by an instrument or concurrent instruments in writing, signed by such bondholders or their attorneys in fact thereunto duly authorized and filed with the University, may appoint a successor Trustee which shall supersede any Trustee theretofore appointed by the University. Photostatic or similar copies of each such instrument shall be delivered promptly by the University to the predecessor Trustee and to the Trustee so appointed by the bondholders.

If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Section, the holder of any Bond outstanding hereunder or any retiring Trustee, may apply to any court of competent jurisdiction to appoint a successor Trustee. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Trustee.

Any Trustee hereafter appointed shall be a bank or trust company duly authorized to exercise corporate trust powers and subject to examination by federal or state authority, of good standing, and having at the time of its appointment, a combined capital and surplus aggregating not less than Ten Million Dollars (\$10,000,000).

Section 8.07. Merger or Consolidation of Trustee. Any corporation into which the Trustee may be merged, or converted, or with which it or any successor to it may be consolidated, or any corporation resulting from any merger, conversion, consolidation or purchase to which the Trustee shall be a party shall be the successor Trustee under this Agreement without the execution or filing of any paper or other act on the part of either of the parties hereto, provided, that the corporation resulting from any such merger, conversion, purchase or consolidation be a bank of the character specified in Section 8.06.

Section 8.08. Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the University an instrument in writing accepting such appointment hereunder, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all the rights, immunities, powers, trusts, duties and obligations of such predecessor; but, nevertheless, such predecessor, on the written request of the University, or of the successor Trustee, shall execute and deliver an instrument or instruments transferring to such successor Trustee all the estate, properties, rights, powers and trusts of such predecessor hereunder, and shall duly assign, transfer and deliver all property, securities and moneys held by it as such Trustee to its successors. Should any deed, conveyance or instrument in writing from the University be required by any successor Trustee, for more fully and certainly vesting in such successor Trustee the rights, immunities, powers, trusts and duties hereby vested in the Trustee, the University on request, shall duly execute, acknowledge and deliver the same.

Section 8.09. Adoption of Authentication. In case any of the Bonds contemplated to be issued hereunder shall have been authenticated but not delivered, any successor Trustee may adopt the certificate of authentication of the original Trustee or of any successor of it as Trustee hereunder and deliver the said Bonds so authenticated as hereinbefore provided; and in case any of such Bonds shall not have been authenticated, any successor Trustee may authenticate such Bonds either in the name of any predecessor or in its own name. In all such cases such certificate of authentication shall have the same force and effect as provided in the Bonds or in this Agreement with respect to the certificate of authentication of the Trustee.

Section 8.10. Miscellaneous Trustee Provisions. Except as otherwise provided in this Agreement, the Trustee shall not be obliged to take notice or be deemed to have notice of any event of default hereunder, unless specifically notified in writing of such event of default by the holders of not less than ten per centum (10%) in principal amount of the Bonds hereby secured and then outstanding.

ARTICLE 9

LIMITATION OF LIABILITY

Section 9.01. Obligation Limited to Pledged Receipts. The covenants, agreements and obligations contained in this Agreement shall in no event create a claim against or lien upon any property of the State of Ohio or any property of or under the control of the University except the Pledged Receipts to the extent provided in this Agreement.

Section 9.02. No Recourse Against Individuals. No recourse under or upon any obligation, covenant or agreement contained in this Agreement or in any Bond or coupon hereby secured shall be had against any officer or Trustee of the University; and no personal liability whatever shall attach to or be incurred by the present or any future officers or Trustees of said University by reason of any of the obligations, covenants or agreements contained in this Agreement or in any of said Bonds or coupons, or to be implied therefrom.

ARTICLE 10

REMEDIES

Section 10.01. Effect of Extension of Time of Payment. In case the time for the payment of any Bond, coupon or the interest on any Registered Bond without coupons shall be extended, whether or not such extension be by or with the consent of the University, such Bond, coupon or such interest so extended shall not be entitled in case of default hereunder to the benefit or security of this Agreement except subject to the prior payment in full of the principal of all Bonds then outstanding and of all coupons and interest the time for the payment of which shall not have been extended.

Section 10.02. Events of Default. Each of the following events is hereby declared an "event of default":

(a) default in the payment of the principal and redemption premium, if any, of any of the Bonds shall be made when the same shall become due and payable, either at maturity or by proceedings for redemption or otherwise; or

(b) default in the payment of any installment of interest on any of the Bonds shall continue for a period of thirty (30) days after the same shall become due and payable; or

(c) the University shall unreasonably delay or fail to carry on with reasonable dispatch or discontinue the construction, development or equipment of the Project or any other project for which Bonds shall have been issued under this Agreement; or

(d) the University shall for any reason be rendered incapable of fulfilling its obligations hereunder; or

(e) final judgment for the payment of money shall be rendered against the University as a result of the ownership, control or operation of the Pledged Facilities and any such judgment shall not be discharged within sixty (60) days from the entry thereof or an appeal shall not be taken therefrom or from the order, decree or process upon which or pursuant to which such judgment shall have been granted or entered, in such manner as to set aside or stay the execution of or levy under such judgment, order, decree or process or the enforcement thereof; or

(f) an order or decree shall be entered with the consent or acquiescence of the University, appointing a receiver or receivers of the Pledged Facilities or any part thereof or any of the Pledged Receipts, or if such order or decree, having been entered without the consent or acquiescence of the University, shall not be vacated or discharged or stayed within ninety (90) days after the entry thereof; or

(g) any proceeding shall be instituted, with the consent or acquiescence of the University, for the purpose of effecting a composition between the University and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are under any circumstances payable from the Pledged Receipts; or

(h) the University shall make default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Agreement on the part of the University to be performed, and such default shall continue for sixty (60) days after written notice specifying such default and requiring same to be remedied shall have been given to the University by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the holders of not less than ten per centum (10%) in principal amount of the Bonds then outstanding.

Section 10.03. Enforcement. Upon the happening and continuance of any event of default specified in Section 10.02 of this Article, then and in every such case the Trustee may proceed, and upon the written request of the holders of not less than ten per centum (10%) in principal amount of the Bonds then outstanding hereunder shall proceed, subject to the provisions of Section 8.02 of this Agreement, to protect and enforce its rights and the rights of the bondholders under this Agreement by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board or officer having jurisdiction, either for the specific performance of any covenant or agreement contained herein or in aid or execution of any power herein granted or for the enforcement of any proper legal or equitable remedy, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

In the enforcement of any remedy under this Agreement the Trustee shall be entitled to sue for, enforce payment of and receive any and all amounts then or during any default becoming, and at any time remaining, due from the University for principal, interest or otherwise under any of the provisions of this Agreement or of the Bonds and unpaid, with interest on overdue payments at the rate or rates of interest specified in such Bonds, together with any and all costs and expenses of collection and of all proceedings hereunder and under such Bonds, without prejudice to any other right or remedy of the Trustee or of the bondholders, and to recover and enforce judgment or decree against the University but solely as provided herein and in such Bonds, for any portion of such

amounts remaining unpaid, with interest, costs and expenses, and to collect (but solely from the Pledged Receipts and Special Funds from which the Bonds are payable) in any manner provided by law, the moneys adjudged or decreed to be payable.

Upon the happening and continuance of any event of default specified in Section 10.02 of this Agreement, then and in any such case the Trustee may, upon the written request of the holders of not less than a majority in principal amount of the Bonds then outstanding hereunder, shall, by notice in writing to the University, declare the principal of all Bonds then outstanding to be due and payable immediately, and upon any such declaration the said principal shall become and be due and payable immediately, anything in this Agreement, or in said Bonds, to the contrary notwithstanding; provided, however, if at any time after the principal of the Bonds shall have been so declared and become due and payable the University shall pay or shall deposit with the Trustee a sum sufficient to pay all arrears of interest upon all the Bonds (with interest upon any overdue installments of interest at the rates expressed in the Bonds to the date of such payment or deposit), and all other sums payable under this Agreement, except the principal of any Bonds which shall not have matured by their terms, shall have been duly paid, and every other default in the performance of any covenant or provision of the Bonds or of this Agreement shall have been made good or secured to the satisfaction of the Trustee or arrangements deemed by the Trustee to be adequate shall be made therefor, then and in every such case the Trustee shall consider the default waived and shall rescind and annul such declaration and its consequences upon the receipt of written waivers of default from the holders of a majority in principal amount of the Bonds then outstanding, but no such waiver, rescission or annulment shall extend to or affect any subsequent default or shall impair or exhaust any right or power consequent thereon.

Section 10.04. Payment in Event of Deficiencies. If at any time the moneys available in the Special Funds shall not be sufficient to pay the principal of or the interest on the Bonds as the same become due and payable, such moneys together with any moneys then available or thereafter becoming available for such purpose under this Agreement, whether through the exercise of the remedies provided for in this Article or otherwise, shall be applied (subject to the provisions of Section 8.02 of this Agreement) as follows:

(a) unless the principal of all the Bonds shall have become due and payable, all such moneys shall be applied

first: to the payment to the persons entitled thereto of all installments of interest then due, in order of the maturity of the installments of such interest, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds; and

second: to the payment to the persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due and payable (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions of this Agreement), in the order of their due dates, with interest on the principal amount of such Bonds at the respective rates specified therein from the respective dates upon which such Bonds became due and payable, and, if the amount available shall not be sufficient to pay in full the principal of the Bonds due and payable on any particular date, together with such interest, then to the payment first of such interest ratably, according to the amount of such interest due on such date, and then to the payment of such principal, ratably, according to the amount of such principal due on such date, to the persons entitled thereto without any discrimination or preference; and

third: to the payment of interest on and the principal of the Bonds, to the purchase and retirement of Bonds and to the redemption of Bonds, all in accordance with the provisions of the Bond Resolution.

(b) if the principal of all the Bonds shall have become due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds.

The provisions of this Section are in all respects subject to the provisions of Section 10.01 of this Article.

Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by the Trustee at such times, and from time to time, as the Trustee in its sole discretion shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future; the deposit of such moneys with the Paying Agents, or otherwise setting aside such moneys, in trust for the proper purpose shall constitute proper application by the Trustee; and the Trustee shall incur no liability whatsoever to the University, to any bondholder or to any other person for any delay in applying any such moneys, so long as the Trustee acts with reasonable diligence having due regard to the circumstances, and ultimately applies the same in accordance with such provisions of this Agreement as may be applicable at the time of application by the Trustee. Whenever the Trustee shall exercise such discretion in applying such moneys, it shall fix the date (which shall be an interest payment date unless the Trustee shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date, and shall not be required to make payment

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to the holder of any unpaid coupon or any Bond unless such coupon or such Bond and all unmatured coupons, if any, appertaining to such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid. The University shall deposit or cause to be deposited with the Trustee any moneys required to be applied by the Trustee pursuant to this Agreement and in due time for such application.

Section 10.05. Termination of Proceedings for Enforcement. In case any proceeding taken by the Trustee on account of any default shall have been discontinued or abandoned for any reason, then and in every such case the University, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder, respectively, and all rights, remedies, powers and duties of the Trustee shall continue as though no such proceeding had been taken.

Section 10.06. Bondholders' Direction of Proceedings. Anything in this Agreement to the contrary notwithstanding, the holders of the majority in principal amount of the Bonds then outstanding hereunder shall have the right, subject to the provisions of Section 8.02 of this Agreement, by an instrument or concurrent instrument in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions of this Agreement, and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to bondholders not parties to such direction.

Section 10.07. Limitation on Rights of Bondholders. No holder of any of the outstanding Bonds shall have any right to institute any suit, action, mandamus or other proceeding in equity or at law for the execution of any trust hereunder or the protection or enforcement of any right under this Agreement or any resolution of the University authorizing the issuance of the Bonds, or any right under the laws of Ohio, unless such holder previously shall have given to the Trustee written notice of the event of default or breach of trust or duty on account of which such suit, action or proceeding is to be taken, and unless the holders of not less than ten per centum (10%) in principal amount of the Bonds then outstanding shall have made written request of the Trustee, and thereafter shall have afforded it a reasonable opportunity either to proceed to exercise the powers herein granted or to institute such suit, action or proceeding in its or their name, and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused or neglected to comply with such request within a reasonable time, and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of this Agreement or for any other remedy hereunder; provided, however, that, notwithstanding the foregoing provisions of this Section and without complying therewith, the holders of not less than twenty per centum (20%) in aggregate principal amount of the Bonds then outstanding may institute any suit, action or proceeding in their own names for the benefit of all holders of Bonds hereunder. It is understood and intended that, except as otherwise above provided, no one or more holders of the Bonds hereby secured shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of this Agreement, or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the benefit of all holders of the outstanding Bonds and coupons.

Section 10.08. Possession of Bonds by Trustee Not Required. All rights of action under this Agreement or under any of the Bonds, enforceable by the Trustee, may be enforced by it without the possession of any of the Bonds or the coupons appertaining thereto or the production thereof on the trial or other proceedings relative thereto, and any suit, action, or proceeding instituted by the Trustee hereunder shall be brought in its name for the benefit of all the holders of such Bonds and coupons, subject to the provisions of this Agreement.

Section 10.09. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the holders of the Bonds is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 10.10. Waiver of Default. No delay or omission of the Trustee or of any holder of the Bonds to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or any acquiescence therein; and every power and remedy given by this Agreement to the Trustee and the holders of the Bonds, respectively, may be exercised from time to time and as often as may be deemed expedient.

The Trustee may, and upon written request of the holders of not less than a majority in principal amount of the Bonds then outstanding shall, waive any default which in its opinion shall have been remedied before the completion of the enforcement of any remedy under this Agreement, but no such waiver shall extend to or affect any other existing or any subsequent default or defaults or impair any rights or remedies consequent thereon.

Section 10.11. Notice of Default. The Trustee shall mail to the Original Purchasers, all owners of Registered Bonds at their addresses as they appear on the registration books, and to all bondholders who shall have filed their names and addresses with the Trustee for such purpose, written notice of the occurrence of any event of default set forth in clauses (a) and (b) of Section 10.02 of this Article within thirty (30) days after any such event of default shall have occurred. If in any year the total amount of deposits to the Special Funds held by the Trustee shall be less than the amounts required so to be deposited under the provisions of this Agreement, the Trustee, on or

before February 1 of the next succeeding year, shall mail to the Original Purchasers, all owners of Registered Bonds at their addresses as they appear on the registration books, and to all bondholders who shall have filed their names and addresses with the Trustee for such purpose, written notice of the failure to make such deposits. The Trustee shall not, however, be subject to any liability to the Original Purchasers or to any bondholder by reason of its failure to mail any notice required by this Section.

ARTICLE 11

SUPPLEMENTAL AGREEMENTS

Section 11.01. Supplemental Agreement - Purposes. Without any action by or notice to the holders of any of the Bonds, the University and the Trustee, from time to time and at any time, may, and when so required by this Agreement shall, enter into such agreements supplemental hereto as may be deemed by them desirable, which shall thereafter form a part of this Agreement, for one or more of the following purposes:

(a) to cure any ambiguity or formal defect or omission in this Agreement or any supplemental agreement in such manner as shall not be inconsistent with the substantive rights provided by this Agreement and shall not impair the security hereof or adversely affect the bondholders; or

(b) to grant to or confer upon the Trustee for the benefit of the bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the bondholders or the Trustee; or

(c) to add to the covenants and agreements of the University in this Agreement contained other covenants and agreements thereafter to be observed or to surrender or limit any right or power herein reserved to or conferred upon the University; or

(d) to evidence any succession to the University and the assumption by any such successor of the covenants of the University herein and in the Bonds contained; or

(e) to set forth the provisions, forms (as and to the extent that they may differ from the forms set forth in this Agreement) and other matters relating to Additional Bonds as provided in Section 2.03 hereof;

and the University hereby covenants that it will fully perform all the requirements of any such supplemental agreements which may be in effect from time to time; but no obligation imposed hereby, or by any supplemental agreement, upon the University with respect to any of the Bonds or any series of Bonds then outstanding under this Agreement may, except as otherwise provided in this Agreement, be waived or modified by supplemental agreement or otherwise.

Nothing in this Article 11 contained shall affect or limit the right or obligation of the University to execute and deliver to the Trustee any instrument of further assurance or other instrument which elsewhere in this Agreement it is provided shall be delivered to the Trustee.

Section 11.02. Execution of Supplemental Agreement by Trustee. The Trustee is hereby authorized to join with the University in the execution of any supplemental agreement authorized or permitted by the terms of this Agreement and to make the further agreements and stipulations which may be therein contained. The Trustee may receive an opinion of counsel as conclusive evidence that any such supplemental agreement is authorized or permitted by the terms of this Agreement and that it is proper for the Trustee under the provisions of this Article 11 to join in the execution thereof. Copies of each such supplemental agreement shall be furnished to the Original Purchasers of the Bonds of each series. The Trustee may in its uncontrolled discretion decline to enter into any such supplemental agreement which in its opinion may not afford adequate protection to the Trustee when the same shall become operative.

ARTICLE 12

MODIFICATIONS AND ALTERATION OF AGREEMENT

Section 12.01. Modifications Authorized and Manner of Effecting Same. The holders of not less than sixty six and two-thirds per cent (66-2/3%) in principal amount of each series of Bonds outstanding affected by such modification or alteration shall have the power, by an instrument or instruments in writing signed by such holders in person or by their duly authorized agents or attorneys or by a committee constituted by an agreement to which any portion of the Bonds shall have been made subject by deposit or otherwise, and delivered to the Trustee, to authorize any modification or alteration of this Agreement or any agreement supplemental hereto or the rights and obligations of the University under this Agreement or of the holders of Bonds and coupons issued under this Agreement in any particular, approved by the University, including without limitation by reason of the foregoing, waiver of any default and of any rights arising by reason of any default under any of the provisions of the Agreement; and any action herein authorized to be taken with the assent or authority, given as aforesaid, shall be binding upon the holders of all of the Bonds then or from time to time thereafter outstanding under this Agreement as fully as though such action were specifically and expressly authorized by the terms of the Agreement; provided always that no such modification or alteration (i) shall change or impair the obligation of the University to pay the principal of and interest on the Bonds at the respective dates and at the places and in the respective amounts, as provided in the Bonds, (ii) shall give to any Bond or Bonds secured by the Agreement any preference over any other Bond or Bonds so secured, (iii) shall authorize the pledge of or agreement to pay any part of the Pledged Receipts on a parity with or prior to the pledge of the Pledged Receipts provided in this Agreement for the security

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of the Bonds, (iv) shall reduce the percentage in principal amount of Bonds required by the provisions of this Section for any action under this Section, or (v) shall be made unless, in the opinion of Bond Counsel, such modification will not affect the validity of the Bonds and will be valid and effective in accordance with its terms. Any modification of the provisions of the Agreement, made as aforesaid, shall be set forth in a supplemental agreement between the Trustee and the University. Nothing in this Article contained, however, shall be construed as making necessary the approval by Bondholders of the execution of any supplemental agreement or agreements as authorized by Section 11.01 of this Agreement.

Section 12.02. Effect of Modification. Upon the execution of any supplemental agreement pursuant to the provisions of this Article, this Agreement shall be and be deemed to be modified and amended in accordance therewith and the respective rights, duties and obligations under this Agreement of the University, the Trustee and all holders of Bonds outstanding thereunder shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modifications and amendments, and all the terms and conditions of any such supplemental agreement shall be and be deemed to be part of the terms and conditions of this Agreement for any and all purposes. In case of the execution and delivery of any supplemental agreement, express reference may be made thereto in the text of any Bonds delivered thereafter, if deemed necessary or desirable by the Trustee or the University.

Section 12.03. Trustee May Receive Opinion of Counsel. The Trustee may receive an opinion of counsel approved by it, who may be counsel for the University, as conclusive evidence that any supplemental agreement executed pursuant to the provisions of this Article complies with the requirements of this Article.

Section 12.04. Modification by Unanimous Consent. Notwithstanding anything contained in the foregoing provisions of this Agreement, the rights and obligations of the University and of the holders of the Bonds and the terms and provisions of the Bonds and this Agreement or any supplemental agreement may be modified or altered in any respect with the consent of the University and the consent of the holders of all of the Bonds then outstanding.

ARTICLE 13

DEFEASANCE

Section 13.01. Release of Lien of Agreement. When all the Bonds and coupons appertaining thereto shall have been paid and discharged then this Agreement and the pledges and all other rights granted hereby shall cease, determine and become void, and the Trustee on demand of the University shall release this Agreement and shall execute such documents to evidence such release as may be reasonably required by the University, and the Trustee shall turn over to the University any surplus in the Special Funds held by the Trustee other than moneys held for redemption or payment of Bonds or coupons; otherwise this Agreement shall be, continue and remain in full force and effect.

Section 13.02. Payment of Bonds and Coupons. The Bonds and coupons appertaining thereto shall be deemed to have been paid and discharged within the meaning of Section 13.01.

- (a) if the Trustee and Paying Agents shall hold, in trust for and irrevocably committed thereto, sufficient moneys, or
- (b) if the Trustee shall hold, in trust for and irrevocably committed thereto, direct obligations of the United States certified by an independent public accounting firm of national reputation to be of such maturities, interest payment dates and to bear such interest as will, without further investment or reinvestment of either the principal amount thereof or the interest earnings therefrom (likewise to be held in trust and committed, except as hereinafter provided), be sufficient together with moneys referred to in clause (a) above,

for the payment, at their maturity or redemption date, of the principal thereof, together with the redemption premium, if any, and interest accrued to the date of maturity or redemption, as the case may be, or if default in such payment shall have occurred on such date then to the date of the tender of such payment; provided, that if any such Bonds are to be redeemed prior to the maturity thereof, the University shall have duly elected to redeem such Bonds and notice of such redemption shall have been duly given or provision satisfactory to the Trustee shall have been duly made for the giving of such notice. Any moneys held in accordance with the provisions of this Section 13.02 shall be invested, upon written direction of the University, in direct obligations of the United States the maturities or redemption dates at the option of the holder of which shall coincide as nearly as practical with, but not be later than, the time or times at which said moneys will be required for the aforesaid purposes. Any income or interest earned by, or increment to, the investments held under this Section shall, to the extent not required for the purposes of this Section, be transferred to the University, and any such moneys so paid to the University shall be released of the lien and pledge created by this Agreement.

Section 13.01. Return of Unclaimed Moneys. Anything in this Agreement to the contrary notwithstanding, any moneys held by the Trustee or any Paying Agent in trust for the payment and discharge of any Bond or coupons appertaining thereto and which remain unclaimed after the date when such Bond or coupon has become due and payable, either at its stated maturity date or by call for earlier redemption, if such moneys were held by the Trustee or such Paying Agent, at such date, or which remain unclaimed after the date of deposit of such moneys if deposited with the Trustee or such Paying Agent after the said date when such Bond or coupon becomes due and payable, for a period of five (5) years after such due date or date of deposit, shall be free from such trust and shall promptly thereafter be transferred by the Trustee or Paying Agent

to the University, and the Trustee or Paying Agent, upon the repayment of any such moneys to the University in accordance with the foregoing provisions, shall be released and discharged with respect thereto, and the holders of Bonds and coupons payable from such moneys shall look only to the University for the payment of such Bonds and coupons.

ARTICLE 14

DEFINITIONS AND MISCELLANEOUS PROVISIONS

Section 14.01. Definitions. In addition to the words and terms defined in Section 10 of the Bond Resolution and elsewhere in said Resolution and in this Agreement, the following words and terms, unless a different meaning clearly appears from the context, shall have the following meanings:

"Bond Counsel" shall mean counsel chosen by the University and determined by the Trustee to be an attorney or law firm whose opinions as to the legality of municipal bonds or public securities issued by the State of Ohio or agencies, institutions or political subdivisions thereof are generally acceptable to purchasers of such securities.

"Agreement" shall mean this Trust Agreement as the same may be modified, altered or supplemented in accordance with the provisions of the Agreement.

"Coupon Bonds" shall mean any Bonds issued with interest coupons attached thereto, which Bonds are registrable as to principal only.

"Registered Bonds" shall mean any Bonds registered in the name of the owner including Coupon Bonds registered as to principal only and registered bonds without coupons.

"Purchaser" or "Original Purchaser" shall mean the original purchaser or purchasers of the Project Bonds and additionally, where the term is used in connection with all Bonds, the original purchasers of Additional Bonds.

"Executive" or "Executive Officer" shall mean the President or the Vice President of the University.

"Fiscal Officer" shall mean the Vice President of Finance or the Treasurer of the University.

Words of the masculine gender shall be deemed to include correlative words of the feminine and neuter genders. Unless the context otherwise indicates, words in the singular number shall include the plural number and words in the plural number shall include the singular number. The word "person" shall include corporations, partnerships and associations, including public bodies, as well as natural persons.

Section 14.02. Acting Officers. Any reference to an officer of the University or of the Board in this Agreement shall refer to the person holding such office or, in the event of resignation, absence, incapacity or vacancy in such office, transfer of functions or change of title of the office, then the person performing most of the duties of such office.

Section 14.03. University to Remain in Possession. Unless otherwise ordered by court and except as otherwise permitted by this Agreement, the University shall (a) remain in full possession, enjoyment and control of the Pledged Facilities, (b) manage, operate and develop the same, subject always to the observance of the covenants of this Agreement with respect thereto, and (c) receive, receipt for, take and use all rents, earnings, revenues and income thereof.

Section 14.04. Invalidity of Any Provision. In case any one or more of the covenants, stipulations, obligations, agreements or other provisions of or contained in this Agreement or the Bonds or coupons shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision thereof but this Agreement, the Bonds and coupons shall be construed and enforced as if such provisions, to the extent invalid or illegal, were not contained therein, and each such covenant, stipulation, obligation, agreement or other provision shall be deemed to be made and entered into in the manner and to the full extent permitted by law to accomplish most nearly the intention thereof.

Section 14.05. Agreement Inures to Successors and Assigns of the University and Trustee. Subject to the provisions of Article 8 of this Agreement, whenever in this Agreement either of the parties hereto is named or referred to, the successors and assigns of such party shall be deemed to be included and all the covenants, promises and agreements, in this Agreement contained by or on behalf of the University or by or on behalf of the Trustee, shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

Section 14.06. Execution of Agreement in Counterparts. This Agreement may be simultaneously executed and delivered in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original; but such counterparts shall together constitute but one and the same instrument.

Section 14.07. Reference to Statutes. Any reference herein to a particular statutory provision shall be deemed to refer to such statutory provision as now in force and as it may from time to time be amended, supplemented, or affected by later legislation, and to include any provision enacted in substitution therefor.

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Section 14.09. Not Individual Obligation of Trustees. This Agreement is executed on behalf of the University solely in its official capacity and shall not constitute personal obligations either jointly or severally of its trustees or officers in their individual capacities.

IN WITNESS WHEREOF, Bowling Green State University and the Board of Trustees of Bowling Green State University have caused this Agreement to be signed by the President of the University and the seal of the University to be hereunto affixed and the same to be attested by the Secretary of the Board of Trustees of the University, and The Ohio Citizens Trust Company, Toledo, Ohio, to evidence its acceptance of the trust hereby created, has caused this Agreement to be signed in its name and its corporate seal to be hereunto affixed and the same to be attested by its duly authorized officers, all as of the day and year first above written, but actually on the dates of the respective acknowledgments.

(SEAL)

BOWLING GREEN STATE UNIVERSITY
and
THE BOARD OF TRUSTEES OF
BOWLING GREEN STATE UNIVERSITY

By _____
President of Bowling Green
State University

Attest:

Secretary of the Board of Trustees
Bowling Green State University

THE OHIO CITIZENS TRUST COMPANY, Trustee

(SEAL)

By _____
Assistant Vice-President

Attest:

Assistant Secretary

STATE OF OHIO)
) SS:
COUNTY OF WOOD)

On this _____ day of _____, 1967, before me a Notary Public in and for said County and State personally appeared WILLIAM T. JEROME III and DONALD G. SIMMONS, the President and Secretary of the Board of Trustees, respectively, of Bowling Green State University, and acknowledged the execution of the foregoing instrument, and that the same is their voluntary act and deed on behalf of Bowling Green State University and the Board of Trustees of Bowling Green State University.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

(SEAL)

Notary Public

STATE OF OHIO)
) SS:
COUNTY OF LUCAS)

On this _____ day of _____, 1967, before me a Notary Public in and for said County and State personally appeared _____ and _____, Assistant Vice-President and Assistant Secretary, respectively, of The Ohio Citizens Trust Company, Toledo, Ohio, the corporation which executed the foregoing instrument as Trustee, who acknowledge that the seal affixed to said instrument is the seal of said corporation, that they did sign said instrument as such officers, respectively, for and on behalf of said corporation and by authority granted in its rules and regulations and by its Board of Directors, that the same is their free act and deed as such officers, respectively, and the free and corporate act and deed of said The Ohio Citizens Trust Company.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal on the day and year aforesaid.

(SEAL)

Notary Public

Mr. Simmons moved, Mrs. Ward seconded, that the following resolution be approved. All members present voting "Aye," the motion carried.

RESOLUTION

Providing for the charge and collection of Student Facilities Fees to be pledged to secure the proposed Student Facilities Revenue Bonds, 1967 Series, of Bowling Green State University, and other matters related thereto.

WHEREAS, this Board of Trustees has this day adopted a resolution (herein called "Bond Resolution") authorizing the issuance of Student Facilities Revenue Bonds, 1967 Series, of the University (herein called "Project Bonds"), and providing for the issuance of additional bonds on a parity therewith (said Project Bonds and additional bonds being herein collectively called the "Bonds"); and

WHEREAS, pursuant to the Bond Resolution the University covenants that so long as the Bonds are outstanding the University will fix and adjust the rates, charges and fees comprising the Pledged Receipts, including the Student Facilities Fees, so that receipts from the Student Facilities Fees, together with other Pledged Receipts, will be sufficient to pay the Operating and Maintenance Expenses of the Pledged Facilities and provide for the payment of principal and interest on the Bonds and other payments to Special Funds required by Section 5 of the Bond Resolution; and

WHEREAS, the terms "Pledged Facilities", "Student Facilities Fees", Facilities Charges", "Pledged Receipts", "Operating and Maintenance Expenses", "Special Funds", "Revenue Fund", "Construction Fund", "Project" and "Project Costs" shall have the same meanings as used herein as are prescribed for them in the Bond Resolution; and

WHEREAS, Section 5 of the Bond Resolution provides that from and after the issuance of the Project Bonds the Student Facilities Fees shall be deposited in the Revenue Fund, provided that prior to completion of the Project all or any part of the Student Facilities Fees may be deposited to the Construction Fund for the Project, so long as the Pledged Receipts, after such application to the Construction Fund, shall be adequate to pay the amounts required under paragraphs First and Second of Section 5 of the Bond Resolution; and

WHEREAS, the University has previously charged, as part of the Incidental Fee, an amount of \$25 to each full-time student enrolled at the main campus of the University per regular semester of the academic year, and a proportionate amount to each part-time and summer school student enrolled at said main campus, and appropriated same to the Local Capital Improvement Fund and the Athletic Facilities Improvement Fund, pursuant to Section 3345.11 of the Revised Code, in contemplation of construction of the Project; and

WHEREAS, this Board desires to make provision with respect to said Student Facilities Fees, Pledged Receipts and Local Capital Improvement Fund and the Athletic Facilities Improvement Fund consistent with the Bond Resolution and Section 3345.11 of the Revised Code; and does hereby determine that the provisions of this Resolution are consistent therewith and that the Student Facilities Fees herein provided for will be sufficient to satisfy the covenants of the University set forth in the Bond Resolution and the requirements of Section 3345.11 of the Revised Code;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Bowling Green State University, as follows:

Section 1. Student Facilities Fee. Until further action by the Board or by the President pursuant to Section 3 hereof, there is hereby charged, and shall be collected, a Student Facilities Fee in the amount of \$25 per regular semester of the academic year for each full-time student enrolled at the main campus of the University, and a proportionate amount, as determined by the President, for each part-time student and summer student enrolled at said main campus, for the construction, acquisition, equipment, renovation, repair, improvement, remodeling and use of the Pledged Facilities. Until further direction of the Board, said Student Facilities Fees shall be collected as a part of the Incidental Fee, heretofore established, but is hereby specifically allocated therefrom, on a pro-rata basis, to and shall be immediately earmarked for the purposes and applied as herein provided.

It is hereby determined, on the basis of present information, that the receipts from the aforesaid Student Facilities Fees will at least equal the aggregate of the amounts which would be necessary to pay, as to each building, structure or facility constituting part of the Pledged Facilities, the Operating and Maintenance Expense allocable thereto and a pro-rata portion of the principal and interest on Bonds and other payments required by Section 5 of the Bond Resolution allocable to the financing thereof, after deducting the other Pledged Receipts allocable to such building, structure or facility; and the Treasurer is hereby directed to report to this Board and to the President of the University any changes in estimates and results of operation as shall necessitate revision of such Fees, so that either may take timely action to adjust and said Fees from time to time to produce aggregate receipts as aforesaid.

Section 2. Application of Student Facilities Fees. The Student Facilities Fees are hereby appropriated to the purposes stated in and shall be applied as provided in the Bond Resolution. Until completion of the Project, the Treasurer of the University is authorized to deposit to the Construction Fund for the Project such portion of the receipts from the Student Facilities Fees as may be needed to pay Project Costs, provided that the Pledged Receipts, after such application to the Construction Fund, shall be adequate to pay the amounts required under paragraphs First and Second of Section 5

of the Bond Resolution. Student Facilities Fees received prior to the issuance of the Project Bonds and not needed to pay Project Costs shall be applied to the payment of interim financing notes issued to pay Project Costs, and otherwise shall be deposited to the Revenue Fund established under the Bond Resolution.

Section 3. Fixing and Adjusting Fees and Charges. Pursuant to the Bond Resolution and this Resolution, the President of the University shall from time to time fix and adjust the Student Facilities Fees, including, without limitation, the proportionate amounts of the Student Facilities Fees payable by full-time students that will be payable, pursuant to Section 1 hereof, by each part-time and summer school student, and the Facilities Charges, as he may determine, consistent with the provisions of and the covenants of the University in the Bond Resolution, but subject to the continuing authority of the Board to make changes therein consistent with the Bond Resolution, which Student Facilities Fees and Facilities Charges are hereby appropriated and shall be applied as provided for Pledged Receipts under the Bond Resolution.

Section 4. Appropriation of Funds on Hand to Project. This Board hereby confirms and approves its previous appropriation from unencumbered moneys credited to the Local Capital Improvement Fund and the Athletic Facilities Improvement Fund of the University available for such purpose, in the amounts of \$600,000 and \$200,000, respectively, to pay the Project Costs to the extent needed to supplement the proceeds of the sale of the Project Bonds, and its prior direction to the Treasurer to set aside said aggregate amount of \$800,000 in a separate bookkeeping account therefor, to pay such portions thereof into the Construction Fund for the Project as may be needed from time to time, and to close out such account and transfer the balance thereof, if any, to the aforesaid Funds from which the aforesaid appropriation was made when he shall be satisfied, on the basis of architects' or engineers' reports, that such balance will not be needed for the aforesaid purpose.

Mr. Simmons moved, Mrs. Ward seconded, that the following resolution be approved as follows. All members present voting "aye," the motion was carried:

RESOLUTION

Providing for the award of \$7,500,000 Bowling Green State University Student Facilities Revenue Bonds, 1967 Series.

WHEREAS, this Board on this day adopted a resolution (herein called the Bond Resolution) authorizing and providing for the issuance of \$7,500,000 Bowling Green State University Student Facilities Revenue Bonds, 1967 Series (herein called the 1967 Series Bonds); and

WHEREAS, pursuant to the terms of the Bond Resolution, and pursuant to the prior authorization by this Board, which authorization is hereby confirmed, the Treasurer of the University has caused to be published notice of the sale of the 1967 Series Bonds in The Daily Bond Buyer and has caused the publication of an Official Statement containing the Official Notice of Sale dated April 21, 1967; and

WHEREAS, bids for the 1967 Series Bonds were duly received to 12:00 o'clock E.S.T. in Ohio (Fast Time) on May 11, 1967, and thereupon opened, read and tabulated, which tabulation has been submitted to this Board;

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Bowling Green State University, as follows:

Section 1. It is hereby determined that the bidder offering the lowest net interest cost for the 1967 Series Bonds as provided in the Official Notice of Sale is John Nuveen & Co. (Inc.) and Associates (herein collectively called the Original Purchaser) whose bid for all the 1967 Series Bonds is in the amount of \$7,500,128.00, plus accrued interest from June 1, 1967 to the date of delivery of the 1967 Series Bonds as follows:

<u>Maturities</u>	<u>Interest Rate</u>
1968-1983	5.0%
1984-1985	4.5%
1986-2000	4.4%
2001-2006	4.5%
2007	4.0%

Section 2. All of the 1967 Series Bonds are hereby awarded to the Original Purchaser in accordance with said bid and the Official Notice of Sale and the 1967 Series Bonds shall bear interest for the respective maturities at the aforesaid rates.

Section 3. The officers of the Board and of the University are hereby authorized and directed to have the 1967 Series Bonds printed and to execute and deliver the same to the Original Purchaser as provided in the Bond Resolution, Official Notice of Sale and the aforesaid bid.

Proceedings, Trustees Bowling Green State University

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TABULATION OF BIDS RECEIVED

I, PAUL E. MOYER, Treasurer of Bowling Green State University, do hereby certify that the following were all the bids received until 12:00 noon, Eastern Standard Time in Ohio (Fast Time), on May 11, 1967, for the purchase of \$7,500,000 Bowling Green State University Student Facilities Revenue Bonds, 1967 Series, each bid being for all the 1967 Series Bonds:

Bidder	Price	Coupon Rates		Gross Interest Cost	Premium	Net Interest Cost	Net Effective Rate
		Maturities	Rate(s)				
John Nuveen & Co. (Inc.)	\$7,500,128	1968-1983	5.0%	\$8,617,555	\$ 128	\$8,617,427	4.45794%
		1984-1985	4.5%				
		1986-2000	4.4%				
		2001-2006	4.5%				
		2007	4.0%				
The Ohio Company	\$7,507,650	1968-1980	5.0%	\$8,672,920	\$7,650	\$8,665,270	4.4826%
		1981-1987	4.6%				
		1988-2006	4.5%				
		2007	3.875%				
Halsey, Stuart & Co. Inc.	\$7,501,500	1968-1983	5.0%	\$8,771,560	\$1,500	\$8,770,060	4.5369%
		1984-1985	4.4%				
		1986-2007	4.5%				
Phelps, Fenn & Co.	\$7,500,653	1968-1980	5.0%	\$8,878,235	\$ 653	\$8,877,582	4.5925%
		1981-1987	4.75%				
		1988-1991	4.4%				
		1992-1998	4.5%				
		1999-2007	4.6%				

Executed: May 11, 1967

/S/ Paul E. Moyer
Treasurer

President Jerome complimented Mr. Moyer and his staff for an excellent job in the preparation of these documents which were necessary to submit for bidding and added that he, Paul Moyer, and University's bond counsel--Mr. Joe Cortese--went to New York to visit with Moody and with Standard and Poor--which rate the credit of any bond issue--and received information from Moody, one of the most respected houses in the business, that the bonds had been given an "A" rating in terms of long-range financing. President Jerome expressed disappointment in the interest rate secured on the bonds in view of their "A" rating but nonetheless was gratified that five very fine houses had bid spiritedly on the bonds. The President also called the attention of the trustees to the callable feature in this issue.

Guidelines for 1967-68 Budget

Mr. Canary called attention to the following summary of the 1967-68 budget and list of basic commitments which the University must make and has made. The budget summary takes into consideration two proposed budgets--one recommended by the Regents and the Governor's budget submitted to the Legislature some months ago. He is hopeful that the Legislature, when making final budget appropriations, will include additional amounts over and above the Governor's proposed budget. It is hoped that action will occur within the next two or three weeks.

BUDGET SUMMARY

I. Enrollment Increase (Computed upon Regent's FTE Formula):

	FTE	Increase Over Prior Year	% of Increase Over Prior Year	Budget Increase Over Prior Year (See II Below)
1967-68 (Estimate)	13,200	847) 1st Semester 682 Summer 165	8.16%	13 - 31%
1966-67	12,353	1,395	12.73%	12.8%

II. Budgets

	Amounts	Increase Over 1966-67 Budget	% of Increase
1967-68 Regent's Recommendation	\$19,387,000	\$4,635,315	31.42%
1967-68 Governor's Recommendation	16,716,375	1,964,690	13.32%
Difference	\$ 2,670,625		

Increase over 1965-66 Budget

III. 1967-67 Present Budget Allocations	\$14,751,685	\$1,677,019	12.83%
1965-66 Budget Allocations	13,074,666		

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BASIC COMMITMENTS - 1967-68
(Listed in Four Priorities)

I. Salaries and Retirement:

Salaries for 1966-67	\$ 9,495,213
New Academic Positions Authorized for 1967-68	1,646,447
Estimated Salary Increases	693,000
Employer Retirement Contributions	<u>1,200,000</u>
Sub-Total of I	\$13,034,660

II. Secondary Commitments:

Continuation of present budgets for Maintenance Items (Supplies, Telephone, Postage, Printing, et cetera)	1,753,914
Continuation of present budget for Temporary Employment (Hourly Wages)	471,811
Additional commitments for Computer Services	200,000
Additional commitments for Utilities and Maintenance of new buildings	175,000
Additional commitments (Including Capital Planning Office, Health Services and other Nonacademic areas)	<u>200,000</u>
Sub-Total of I and II	\$15,835,385

III. Additional Requirements:

Continuation of present budgets for:

Travel	130,790
Equipment	721,578
Miscellaneous (Includes Scholarships, Grants-in-Aid, University Union Services, Intercollegiate Athletics and Contingencies)	<u>1,217,129</u>
Sub-Total of I, II, and III	17,904,882

* * * * *

IV. Resources:

Governor's Recommended Budget (\$1,188,507 less than commitment III above)	16,716,375
Regent's Recommended Budget (\$1,482,118 more than commitment III above)	19,387,000

* * * * *

V. Remainder of Departmental Requests (Academic and Nonacademic Areas)	1,263,134
Sub-Total of item III commitments above	<u>17,904,882</u>
Total Budget Requests (Total of I, II, III, and V)	\$19,168,016

After a discussion of guidelines for the 1967-68 budget, it was agreed to delay until after the Legislature acts consideration of whether to raise fees and/or to cut some areas of the budget.

President Jerome stated that he would meet with Chancellor Millett on May 15 to review the implications of the defeat of the Ohio Bond Commission Act and to learn what plans, if any, the Governor had to meet the gap between the budgets proposed by the Regents and the Governor's proposal to the Legislature. The President said he was disturbed that we are not able to give students an answer about fees for next year and added that an increase in fees should be a last resort.

After further discussion it was decided that as soon as a budget figure is received from the Legislature a special meeting of the Board be called to review the budget and take action at that time.

Master of Accountancy

President Jerome recommended approval of the proposal from the College of Business Administration to begin a program leading to the degree of Master of Accountancy as soon as funds become available. He stated that this degree is unique to schools of business . . . Dr. Leedy told Board members that this program was very carefully developed by the Department of Accounting and that this degree is highly professional.

It was moved by Mr. Brown, seconded by Mrs. Stranahan, that the proposed program leading to the degree of Master of Accountancy as recommended by the Graduate Council, the Academic Council, and the University Provost, with the endorsement of President Jerome, be approved.

It was further moved that a request be submitted to the Ohio Board of Regents for authorization to award this degree beginning with the appropriate semester or term after availability of funds has been assured.

All members present voting "aye," the motion was carried.

Proposed Amendments to the Faculty Charter

Three proposed changes in the Faculty Charter were submitted to the trustees by the Faculty Senate for consideration. Two related to University committees and one to the Graduate School. President Jerome referred to a report received May 11 from the SEC Subcommittee on Student Governance and stated that the report indicates the level of interest of students in the governance of the University but does not describe the kind of participation students recommend.

After a general discussion, and after Dr. Leedy stated that he did not think there was any great urgency to act on any of the proposals until next October, it was suggested that these changes be delayed to provide more time for study.

Mrs. Ward moved, Mr. Brown seconded, that the amendments to Article VII--University Committees and the change to Article III, Section 5--Committee on Committees be studied in connection with the forthcoming report from a faculty-student committee on student participation in University governance and the whole area of student participation on University committees.

All members present voting "aye," the motion was carried.

Mr. Simmons moved, Mr. White seconded, that the proposed amendment to Article X relating to the Graduate School be studied and that action on this amendment be delayed until the October meeting.

All members present voting "aye," the motion was carried.

Policy on Patentable Discoveries or Inventions

Mr. Canary stated that after further study by the committee of the policy on patentable discoveries or inventions approved at the October 7, 1966 meeting, it was concluded that some revisions would be desirable.

Mr. Simmons moved, Mrs. Stranahan seconded, that the following revised policy on patentable discoveries or inventions take the place of the one approved at the October 7, 1966 Board meeting.

All members present voting "aye," the motion was carried.

POLICY ON PATENTABLE DISCOVERIES OR INVENTIONS (Revised May 12, 1967)

(Revisions in capital letters)

Faculty, staff and students who participate alone or in association with others in inventions or discoveries shall disclose promptly such inventions or discoveries to the University Patent Committee, which shall determine whether and to what extent the University has an interest in the inventions or discoveries AND SUBMIT A RECOMMENDATION, BASED ON ITS STUDY, TO THE UNIVERSITY BOARD OF TRUSTEES. The Patent Committee will be composed of seven members, consisting of: the Vice President, WHO WILL SERVE AS CHAIRMAN: A REPRESENTATIVE OF THE AREA OF RESEARCH SERVICES--TO BE APPOINTED BY THE PRESIDENT OF THE UNIVERSITY: THE UNIVERSITY BUSINESS MANAGER OR HIS DESIGNATED REPRESENTATIVE; and four members of the faculty SELECTED THROUGH THE ELECTION PROCEDURES OF THE FACULTY SENATE.

Inventions or discoveries, whether or not subject to patent, developed as a direct result of the regular duties of the faculty and staff or as a result of a program of research financed wholly or in part by University funds or by funds administered by the University, shall be assigned to the University or its designee to be administered in accordance with the recommendation of the BOARD OF TRUSTEES, and disposition shall be in a manner which, in its opinion, will be in the best interests of the University, the public, and the inventors.

The University BOARD OF TRUSTEES may, at its sole discretion, enter into contract with recognized management agencies for the purpose of patent application, patent development, and patent management covering all inventions or discoveries in which the University has an interest. In the event that income accrues from the administration of a patent or invention in which the University has an interest, the inventor or the inventors shall receive A PERCENTAGE of the gross income from the patent AS APPROVED BY THE BOARD OF TRUSTEES except in cases of sponsored research projects where the terms of the research contract specifically require the assignment of patent rights to the sponsor. The University, with approval of the investigator, shall enter into such agreements whenever such action is considered in its best interest.

In the case of sponsored research, the contract between the University and the sponsor shall be binding on the persons working on the project. The respective interests of the University and staff members shall be adjusted on the basis of the right the University has in any patentable discovery, so that each staff member's interest shall be an equitable portion of the University's interest and not of the entire patent right.

If any employee shall claim an invention as his own, the Patent Committee shall afford him the right to appear personally before the committee and present such evidence relating thereto as he may have.

If the Patent Committee finds that the research leading to the discovery or invention was not related to the staff member's employment and was not the result of the use of University materials, equipment, facilities or time, IT SHALL RECOMMEND TO THE BOARD OF TRUSTEES THAT the University shall have no interest in the discovery or the patent.

If the BOARD OF TRUSTEES deems that it is inexpedient for the University or its authorized agency to hold a patent on an invention of a staff member or if no report is received by the inventor within 120 days of the date the invention is submitted to the Patent Committee, the inventor himself shall be free to secure a patent.

In order to make the above policy effective, staff members shall supply such documents, assignments, and assistance as may be required by the Patent Committee AND THE UNIVERSITY BOARD OF TRUSTEES.

All research shall be conducted with the understanding and condition that the name of the University will not be used for advertising or promotional purposes in connection with any discoveries or products arising from such research without written authorization from the University BOARD OF TRUSTEES OR THE PRESIDENT OF THE UNIVERSITY.

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Any staff member engaged in consulting work or in business shall use care in determining that patent clauses in his agreements are not in conflict with the patent policy of the University or with University commitments in sponsored projects. The University BOARD OF TRUSTEES shall have the ultimate right to resolve any conflict or potential conflict of interests arising from outside activities of staff members.

A staff member shall retain all rights to copyright and publish except when the staff member has been directed within his scope of employment to produce a specific work or when the copyright is subject to special contractual arrangements.

Bylaws for Advisory Board of the Firelands Branch

Dr. McFall reviewed the procedures followed in establishing an Advisory Board of the Firelands Branch of the University and described briefly the development by that Board of bylaws under which the Firelands Branch of the University will operate. He stated that after a careful and critical study of these bylaws by the Advisory Board they were adopted on April 21, 1967. He recommended that they be approved.

It was moved by Mr. White, seconded by Mrs. Ward, that the bylaws under which the Firelands Branch of Bowling Green State University will operate be approved as adopted by the Advisory Board on April 21, 1967.

All members present voting "aye," the motion was carried.

BYLAWS ADVISORY BOARD FIRELANDS BRANCH BOWLING GREEN STATE UNIVERSITY

ARTICLE I

NAME

Section 1.

The name of this Board shall be The Firelands Advisory Board and shall hereinafter be called "The Advisory Board."

ARTICLE II

PURPOSES

Section 1.

The purposes of The Advisory Board shall be to advise, counsel and assist the Board of Trustees of Bowling Green State University, hereinafter called "The University," in such matters pertaining to The Firelands Branch of the University as such Board of Trustees shall request, including, but not limited to the following:

- a. Interpreting the needs of higher education in the Firelands Branch area and recommending how these needs can best be met by the University.
- b. Counseling with the Firelands Branch Director and University Representatives concerning programs of study that will meet these needs.
- c. Aiding in interpreting to the public the goals of The Firelands Branch.
- d. Counseling with the Firelands Branch Director and Representatives of the University concerning student services outside the academic areas.
- e. Assisting in developing a program of student financial aid and identifying sources of funds to support the program.

ARTICLE III

Section 1.

The membership of this Advisory Board shall consist of fifteen (15) voting members (six from Erie County, four from Huron County and two from Ottawa County, the President of the University or his designate, the Provost of the University and the University Director of Summer and Off-Campus Programs) and two ex officio non-voting members: the Director of the Firelands Branch of the University and the President of COED, Inc.

Section 2.

The twelve (12) members representing the three counties shall initially be the following persons whose terms shall expire at the annual meeting in the years indicated following their respective names:

<u>Erie County</u>		<u>Huron County</u>		<u>Ottawa County</u>	
M. J. Stauffer	1968	Charles D. Arnold	1968	J. Keith Pearson	1970
Wallace Glenwright	1969	Dale Olsen	1969	Peter V. Paulus	1973
Henry W. Lehrer	1970	R. Hollis Matherly	1971		
William Derrick	1971	Robert Kellerman	1972		
Alice Rau	1972				
Ethel Swanbeck	1973				

Section 3.

After the initial terms described in the preceding section, each county representative shall serve a term of six (6) years and no such member shall serve more than two (2) full consecutive six (6) year terms.

Section 4.

With respect to the memberships of each of the twelve (12) county representatives, a vacancy shall occur upon the death, resignation, removal of residence from the county represented, disability as determined by the Advisory Board or absence from three (3) consecutive regular meetings of the Advisory Board without cause as determined by the Advisory Board.

Section 5.

The Board of Trustees of the University shall have the power to fill any vacancies in the twelve (12) memberships representing the three (3) counties, whether such vacancies arise under the next preceding section, or as a consequence of expiring terms, or otherwise. The Advisory Board and the public at large, not earlier than six (6) months nor later than five (5) months prior to the annual meeting of the Advisory Board may make nominations to the Board of Trustees of the University. In filling such vacancies, it is expected that the Board of Trustees of the University will provide appropriate representation for the three (3) county area identified above.

ARTICLE IV

OFFICERS

Section 1.

At its annual meeting, following the election of persons to fill the vacancies then existing, the Advisory Board shall elect from its own membership a President and a Vice-President and shall elect either from within or without its membership a Secretary and a Treasurer and any other officers, subordinate officers or assistant officers as such Advisory Board may determine to be necessary or desirable.

Section 2.

The terms of the officers shall be for one (1) year and they shall take office immediately upon election.

Section 3.

The powers and duties of the officers shall be as prescribed by the Board of Trustees of the University, by this Advisory Board and as their titles by general usage would indicate and such as is required by law.

ARTICLE V

MEETINGS

Section 1.

The Advisory Board shall hold regular meetings at 3:00 P.M. on the second Fridays of September (which shall be the annual meeting), December, February and April. The President or Vice-President of the Advisory Board may and, upon the written direction of any three (3) members thereof, shall, call a special meeting of the Advisory Board. Notice of all meetings shall be communicated by the Secretary of the Advisory Board to all members thereof.

Section 2.

A majority of the voting members of the Advisory Board shall constitute a quorum for the conduct of any business of the Advisory Board and a majority of the votes cast shall be sufficient for any action of the Advisory Board.

Section 3.

Roberts' Rules of Orders shall govern the conduct of the meetings of the Advisory Board.

ARTICLE VI

COMMITTEES

Section 1.

The Advisory Board shall authorize and define the powers and duties of all committees.

Section 2.

Until otherwise directed by the Advisory Board, the committees thereof shall be the following, with the responsibilities indicated:

Executive Committee, consisting of the officers, the Director of the Firelands Branch of the University and two (2) other members of the Advisory Board (to be elected by the Advisory Board at the annual meeting), with the responsibility of planning the agenda of the meetings of the Advisory Board and of conducting the affairs of the Advisory Board between the meetings thereof, subject to ratification by the Advisory Board.

Committee on Academic Affairs, with the responsibility of (a) interpreting the needs of higher education in the area and recommending how these needs can best be met by the University and (b) counseling with the Firelands Branch Director and Representatives of the University concerning programs of study that will meet these needs.

Committee on Public Affairs, with the responsibility of (c) aiding in interpreting to the public the goals of the Firelands Branch of the University.

Committee on Student Affairs, with the responsibilities of (d) counseling with the Director of the Firelands Branch of the University and with other Representatives of the University concerning student services outside the academic areas and (e) assisting in developing a program of student financial aid and identifying sources of funds to support the program.

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Section 3.

The Director of the Firelands Branch of the University shall be a member of the Committees on Academic Affairs, Public Affairs and Student Affairs and the Provost of the University shall be a member of the Academic Affairs Committee. The President shall appoint all other members of the Committees on Student Affairs, Academic Affairs and Public Affairs, subject to confirmation by the Advisory Board.

ARTICLE VII

FUNDS

Section 1.

The Advisory Board shall prescribe the forms and procedures for receiving and disbursing all funds due or entrusted to it.

Section 2.

The Advisory Board shall designate the depository or depositories of the funds of the Advisory Board and the officer or officers thereof which shall sign the checks thereof.

ARTICLE VIII

AMENDMENTS

These Bylaws shall be amended from time to time as prescribed by the Board of Trustees of the University and may be amended by a two-thirds (2/3) vote of the Advisory Board providing that any such amendment made by this Advisory Board shall not become effective until three (3) months after a copy thereof has been delivered to the Board of Trustees of the University and shall not become effective at all if within such three (3) month period the Board of Trustees of the University shall advise this Advisory Board that such Board of Trustees has vetoed such amendment.

Organizational and Personnel Changes

President Jerome announced the establishment of an Office of Institutional Studies and Planning, within the Office of the President, and the appointment of Dr. Karl Vogt as Director of that office.

The President referred to the detailed description contained in the agenda book of the responsibility and function of this office and stated that there would be a close working relationship between this office and all areas of campus planning, computational services, financial, university relations, student personnel and academic. A function of this office will be transmitting required data to the Board of Regents and to the Auditor's office in Columbus.

President Jerome also indicated that in view of Mrs. Haygood's retirement, some changes in the President's office might be necessary such as moving social relations out of that office.

Other personnel changes reported are as follows:

ADMINISTRATION

Resignations

(Effective date 6-30-67 unless otherwise noted)

Donald C. Lelong Director of Institutional Research and Planning, to accept a position as Director of Institutional Research at the University of Michigan.

Neal Allen, Assistant Director of Residence Services, to accept a position as Assistant Director of Housing at the University of Miami, Coral Gables, Florida.

Dr. Garland Anderson, University Physician.

Dr. Marjorie Korte, University Physician.

Marjorie Schaefer Gurcsik, Admissions Counselor.

Jerry C. Jensen, Associate Dean of Men, to assume position as Dean of Men at Illinois Wesleyan University, Bloomington, Illinois.

Margaret Ann Mathauer, Director of Activities in Women's Residence Halls, to accept a position as Guidance Counselor at Edmonds Junior High School, Burlington, Vermont.

B. Lyle Thompson, Residence Hall Director, to accept a position as Head Resident at California State College, Fullerton.

Sally Williams, Assistant Coordinator of Student Activities, to accept a position in the Washington, D. C. school system.

Ethel Kellner, Housemother of Gamma Phi Beta.

Florence Archer, Housemother of Sigma Nu.

Retirements

Mrs. Margaret Haygood, Institutional Services Officer, effective 9-30-67.

Change in Administrative Assignment and Salary Adjustment

Frederick N. Arn	From Administrative Assistant to University Architect to Assistant Architect; salary adjusted from fiscal year rate of \$7500 to \$9000, effective 4-1-67.
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Promotions

Karel King	From Teacher Placement Officer to Assistant Director of Placement.
Glenn T. Rosenthal	From Placement Assistant to Assistant Director of Placement

(Personnel Changes - Administration - continued)

New Appointments

Linda J. Peiblow, Director of Activities in Women's Residence Halls. Salary \$5500.00 (10 mos.) (Replacement for Margaret Ann Mathauer) - effective 9-1-67.

Kenneth L. Villard, Residence Hall Director. (Replacement for B. Lyle Thompson) Salary \$4000 for 10 mos. - effective 9-1-67.

Correction

In Salary Data Book 1967-68--Office of the President. Faculty rank for Bobbie D. Owens, appointed as Assistant to the President, should be Associate Professor of Business Administration--not Professor.

ACADEMIC AREA

Leaves of Absence

Mercedes Flys, Instructor in Romance Languages, to work on doctoral dissertation at the University of Madrid, academic year 1967-68.

Joseph Kivlin, Assistant Professor of Sociology, on leave this academic year, extension of leave for academic year 1967-68 to continue work as Associate Director for India of the Michigan State University--AID Diffusion Project.

Laura Kiflin, Associate Professor of Home Economics, to accept a position at the Virginia Polytechnic Institute, academic year 1967-68.

Bevars D. Mabry, Professor and Chairman of the Department of Economics, to accept an invitation from the Rockefeller Foundation to participate in its University Development Program at Thammasat University in Bangkok, Thailand, from July 22, 1967 until fall, 1968.

Joseph B. Perry Jr., Associate Professor of Sociology, to accept a Fulbright award to the United Arab Republic, academic year 1967-68.

Grover C. Platt, Professor of History, to do research and study in Germany, academic year 1967-68.

Virginia B. Platt, Professor of History, to do research and study in England, academic year 1967-68.

William F. Schmeltz, Professor of Accounting, on leave first semester 1967-68 for study and research.

Brian Sutton-Smith, Professor of Psychology, to accept a position at Columbia University for two years.

Death

Allen Sawdy, Associate Professor of Health & Physical Education, March 9, 1967.

Retirements

Mary C. Hissong, Associate Professor of English, end of academic year, 1966-67.

Bertil G. F. Sima, Professor of German and Russian, August 1, 1967.

Resignations

James Avery, Assistant Professor of Music, to accept a position at the State University of Iowa at Iowa City.

Jon A. Blubaugh, Instructor in Speech, to accept a position at the University of Wisconsin at Milwaukee.

Beverly Byrer, Librarian and Instructor, to accept a position with Youngstown Steel.

Ewing V. Chinn, Assistant Professor of Philosophy, to accept a position at Trinity University.

Helen Cox, Part-time Assistant in Business Education.

Homer L. Cox, Professor of Business Administration, to accept a position at Southern Illinois University.

Ruth N. Craig, Part-time Documents Assistant in the Library, to accept a teaching position in Kentucky.

John W. Darr, Professor of Business Administration, to accept a position at the University of Missouri.

Curtis L. Englebright, Assistant Professor of Education, to accept a position in Kentucky.

Robert R. Findlay, Assistant Professor of Speech, to accept a position at the University of Kansas.

Elichi Inagaki, Research Associate in Biology.

Anna J. Kuenzli, Part-time Library Assistant.

Eldon W. Lanning, Assistant Professor of Political Science, to accept a position at the University of Maryland.

Norman C. Miller, Assistant Professor of Economics, to accept a position at Carnegie Institute of Technology.

Erma Morgan, Librarian and Instructor, to accept a position at Northern Illinois University.

James E. Odenkirk, Assistant Professor of Health & Physical Education, to accept a position at Arizona State University at Tempe.

Leslie Rodd, Office Assistant, College of Education.

F. James Rybak, Associate Professor of Education.

Philip H. Stephan, Assistant Professor of Romance Languages, to accept a position at Northwestern University at Boston.

Regina Stephan, Catalog Assistant in the Library.

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(Resignations - Academic Area - continued)

Sandra Sutphen, Instructor in Political Science, to accept a position in California.
 Joseph Szertics, Assistant Professor of Romance Languages, to accept a position at the University of Iowa.
 Simone Szertics, Instructor in Romance Languages.
 Elizabeth T. Wallis, Research Assistant in Biology.
 Donald M. Winkelman, Instructor in English, to accept a position at the University of New York State at Albany.

Visiting Lecturers

Rafael Ballesteros, Visiting Lecturer in Romance Languages, returns to Sapin.
 Jose Escobar, Visiting Lecturer in Romance Languages, returns to Spain.
 Helmut Pellischek-Wilsdorf, Visiting Lecturer in German & Russian, returns to Austria.

Changes in Administrative Assignments

J. Robert Bashore, Associate Professor of English, appointed also Assistant Chairman of the Department of English for the academic year 1967-68.
 Otto F. Bauer, Associate Professor of Speech and Director of Graduate Admissions and Fellowships, appointed also Assistant Dean of the Graduate School for the academic year 1967-68.
 Morgan Brent, Professor and Chairman of the Department of Biology, resigned as Chairman of that department.
 Stanley K. Coffman, Professor and Chariman of the Department of English, appointed also Acting Dean of the Graduate School for the academic year 1967-68.
 Lloyd A. Helms, Dean of the Graduate School, will continue in that capacity for the months of July and August, 1967.

Milford S. Loughheed, Professor and Chairman of the Department of Geology, resigned as Chairman of that department.
 Walter D. Morris, Associate Professor of German and Russian, appointed Chairman of that department for a four-year term beginning September 1967, replacing Herbert Gauerke serving as Acting Chairman.
 Marilyn R. Shepherd, from Office Assistant to Secretary to the Provost.
 Howard L. Shine, Assistant Professor of Speech, appointed also Chief Academic Advisor in the College of Liberal Arts.
 Willard E. Singer, Professor and Chairman of the Department of Physics, resigned as Chairman of that department.
 Doris K. Williams, Instructor in Home Economics, assumed duties as Head Start Regional Training Officer on one-half time basis effective February 1 through June 30, 1967.

Changes in Contracts, Second Semester 1966-67

Wanda Alexander, Part-time Instructor in Education, resigned April 10, 1967, because of illness, original contract \$2200, actual payment to cover duties performed \$1000.
 Charles J. Cranny, from Instructor to Assistant Professor of Psychology, certification of completion of Ph.D. requirements, salary from \$8900 to \$9500 for academic year.
 Thomas DeCola, from Instructor to Assistant Professor of History, certification of completion of Ph.D. requirements, salary from \$7800 to \$8300 for the academic year.
 James F. Ramaley, Assistant Professor of Mathematics, certification of completion of Ph.D. requirements, salary from \$9500 to \$10,000 for the academic year.
 James P. Rodechko, from Instructor to Assistant Professor of History, certification of completion of Ph.D. requirements, salary from \$8000 to \$8500 for the academic year.

New Contracts and Reappointments, Second Semester 1966-67

William Beausay, Part-time Instructor in Sociology, reappointment at \$800 for the second semester.
 Michael Carpenter, Research Biologist, reappointment for February 1 through May 1, 1967 at \$1950. Renewal of contract pebding renewal of research grant.
 Ray Deardorff, Part-time Instructor in Education, to fill balance of student teacher supervision vacated by Mrs. Alexander, remainder of second semester April 10 to June 4, 1967, at \$1200.
 Bill C. Fitch, Assistant Professor of Health and Physical Education and Head Basketball Coach, April 1 to June 30, 1967, \$3501, three of five-year probationary period.

New Appointments for 1967-68

<u>Name</u>	<u>Rank or Title</u>	<u>Type of Contract</u>	<u>Salary - academic year unless noted otherwise</u>
Donald L. Sternitzke	Associate Professor of Economics <u>Education Department</u>	Prob. 3/5	\$13,000
Ricardo Girona	Instructor	Term	9,250
George G. Seifert	Assistant Professor	Prob. 3/5	10,800
Robert C. Moomaw	Instr./Asst. Prof.*	Prob. 3/6	8,900/9,400*
Philip F. O'Conner	Assistant Professor of English	Prob. 3/5	10,500
Richard E. Groop	Instructor in Geography	Term	7,000
Don C. Steinker	Assistant Professor of Geology	Prob. 2/5	9,000

* Appointed 1965-66 in University Counseling Center with part-time teaching duties; reappointed 1967-68 to fill new full-time teaching position established in Department of Education.

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(Personnel Changes - Academic Area - continued)

Bill C. Fitch	Assistant Professor of Health & Physical Educ. and Head Basketball Coach	Prob. 3/5	\$14,000 (fiscal year)
John R. Vivian	Instructor in Health & Physical Education	Term	7,500
Richard M. Fried	Instr./ Asst. Prof. of History*	Term	8,000/8,500*
Joan W. Mancell	Instructor (part-time) in Library Science	Term	3,500
Lian D. Sabbagh	Assistant Professor of Mathematics	Prob. 1/5	9,500/10,000**
Raymond F. Snipes	Assistant Professor of Mathematics	Prob. 3/5	11,500
Richard Ciofari	Instructor in Music	Term	7,000
Horace C. Little	Instructor in Music	Term	7,000
Normond O. L. Denis	Instr./Asst. Prof.* in Philosophy	Term	8,000/8,500
Peter H. Spader	Instr./Asst. Prof.* in Philosophy	Prob. 1/6	8,200/8,700
Arthur J. Crandall	Instr./Asst. Prof.* in Physics	Prob. 1/6	10,000/10,500
Roger C. Anderson	Instr./Asst. Prof.* Political Science	Term	8,500/ 9,000
Wm. O. Reichert	Professor of Pol. Science	Tenure	13,500
John R. Schuck Jr.	Assoc. Prof. of Psychology	Tenure	13,500

Romance Languages

Maria N. Gisbert	Visiting Lecturer	Term	7,500
Katherine Johannesson	Instructor	Term	8,000
Manuel Morales	Assistant Professor	Term	9,000
Mary P. Zyromski	Instructor (part time)	Term	4,000
Harry Gyman	Visiting Asst. Prof. of Sociology	Term	10,000/11,000**

Speech

Lester F. Aungst	Assistant Professor	Prob. 1/5	5,500 (2nd semester)
John T. Rickey	Professor	Tenure	16,500
Yvonne C. Shafer	Assistant Professor	Prob. 3/5	10,200
Allen S. White	Instr./Asst. Prof.***	Prob. 1/6	8,500

University Library

Nancy Gerding (Non-faculty) Lib. Asst.		Term	\$350 per mo. 6-1-67 through 8-31-67
L. Emily Grimm	Instructor	Prob. 3/6	7,620 (Fiscal year)
Stephen C. Morton	Instructor & Archivist	Prob. 3/6	9,600 (fiscal year)
Wm. L. Schurk	Instructor	Prob. 2/6	7,200 (fiscal year)

* Increase in rank and salary when requirements for Ph.D. are complete.

** Increase in salary when requirements for Ph.D. are complete.

*** Increase in rank when requirements for Ph.D. are complete.

Mr. White moved, Mr. Brown seconded that the personnel changes be approved as reported. All members present voting "aye," the motion was carried.

Quarter Calendar

Dr. Leedy gave the following progress report on status of change from the semester to the quarter calendar:

In October and November of 1966 the Academic Council, supported by the Faculty Senate, established certain guidelines for conversion to the Quarter Calendar.

On February 15, 1967, the Academic Council accepted a statement entitled "Implementation of Conversion to Quarter Calendar."

The Graduate Council and the councils of the three undergraduate colleges have since February been processing materials submitted to them by the teaching departments of the University. As of May 3, 1967, the Academic Council, which is the final body to act on these proposals, has approved conversion programs for the departments of Industrial Arts and Library Science at the undergraduate level. The Graduate Council has approved conversion proposals from the departments of Art, Biology, Business Education, Chemistry, Economics, Education, English, Geography, German and Russian, Health and Physical Education, History, Industrial Arts, Library Science, Geology, Graduate Business

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Administration, Philosophy, Physics, Romance Languages, Sociology, and Speech on the graduate level. These programs will be included on the agenda for the next Academic Council meeting on May 17, 1967, being submitted for approval by the Academic Council at that time.

The machinery established to deal with conversion problems is operating satisfactorily. The greatest problem of delay occurs naturally at the departmental level where it is necessary to consider course by course the changes to be made. There still remains much detailed work to be done in the college councils and the Graduate Council, as well as in the Academic Council. I am confident, however, that by the November 15 deadline established by the Academic Council we will be able to complete the essential details of conversion.

It must be understood that a conversion from one calendar to another is really a monumental task and that the University of California took five years to complete such an operation. We are attempting to complete the operation in approximately one year. We recognize that mistakes will be made and that they will have to be corrected in the following and later years.

The President added that costs of conversion are yet to be considered as they relate to the academic area, board and room . . . faculty salaries for 33 weeks instead of 32. He suggested that the Board might wish to take formal action in the fall relative to the new calendar.

Heald, Hobson & Associates Report re Research Center in Northwestern Ohio

President Jerome discussed the report of Heald, Hobson & Associates, which proposes that an educational and research center be established to serve industrial and business interests of Northwestern Ohio. The study was underwritten by allocation of \$25,000 from the Board of Regents to Bowling Green to analyze with the University of Toledo problems of industry-university cooperative efforts in northwestern Ohio. An area for the site of the center along the Maumee has been suggested. No decision can be made until state appropriations are provided since inauguration of this center will involve purchase of land and a computer facility. The center will permit considerable upgrading of graduate work at the two universities as well as the medical school and private colleges of this area. In view of the defeat of OBC, however, no further action is expected at this time on the report.

Capital Improvements

The following resume of capital improvements was submitted by F. E. Beatty:

University Library. On May 17th a final inspection will be made. All agencies including federal government representatives, state representatives and University officials will be involved in making the inspection. Normally a week or ten days after this inspection the complete facility will be turned over for University use.

Stadium and Track Area. Due to the wet spring weather it has been impossible for the contractors to complete the peripheral areas around the stadium and track. It is anticipated however that this should be accomplished between now and June 1st, and that a final inspection and acceptance can be made at that time.

Ice Arena. Final grading and blacktopping of the parking lots was started on May 4th and final acceptance of the project should be made on or before June 1st. The building itself has been in use by the University since February 20th and is complete with the exception of minor details that have to be corrected by the contractors.

Student Services Building. Unavoidable delays continue to plague the contractors on this structure. A revised progress schedule has been made which indicates that a final inspection can be made on or about January 15, 1968.

Student Health Center. Unless unforeseen difficulties arise during the final "wrap-up" by the contractors it should be possible to hold a final inspection and to accept the building on or about August 15, 1967. Loose equipment has been ordered and the University Health Service staff should be in full operation in the new facility prior to the fall semester.

General Classroom Building. Rapid progress continues to be the keynote on this building and there appears to be no reason that the deadline of January 15th cannot be met.

Psychology Building. Contracts were finally awarded to the low bidders and it is anticipated that actual construction will begin in the next few weeks. The contracts were awarded to:

F. W. Entenman, Inc., Toledo, Ohio - General	\$1,685,000
J. F. Dible Co., Carey, O. - Plumbing	152,000
J. F. Dible Co., Carey, O. - Heating	383,455
Bigley Electric, Inc., Findlay, O. - Electrical	324,115
Kerscher Elevator Co., Toledo, O. - Elevators	51,689

Firelands Branch Campus. After experiencing some delays in the completion of the mechanical drawings it appears that the working drawings will be completed and ready for approval on or about the fifteenth of May and shortly thereafter submitted to Columbus for final approval and advertising.

Tunnel and Utility Renovations--Phase II. Bids will be opened in Columbus on May 10th at 2 p.m. for the tunnel renovation projects. It is hoped that an early construction start can be made so that all work will be completed prior to September 1st.

Moseley Hall Renovation. University crews are nearly completed with the upper three floors of Moseley Hall. Plans are completed for the remodeling on the first floor to establish a commuter center. Work should be under way on this area in the very near future.

Animal House and Greenhouse. Completed plans and specifications are currently in Columbus and are being reviewed by the various state agencies. It is hoped that advertising will take place within the next ten days.

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1969 Dormitory. Final completion of the working drawings and specifications has been somewhat delayed and it now appears that advertising cannot take place until sometime in June.

Electrical Revision and Replacement in the Main Auditorium. Plans and specifications were completed and advertised on April 28th. Bids will be opened on Monday, May 29th at 2 p.m. in the University Business Office. A successful bid opening should permit full usage of the new lighting system in the fall.

Dedication of Buildings.

President Jerome said that a calendar for dedication of buildings is being developed. He called attention to the continuing need to study the naming of buildings--especially those which may accommodate functions such as a graduate center, and the ice arena. Several resolutions from interested groups had been directed to the President.

Mr. Canary agreed to name a committee to consider these problems.

The President discussed plans for the construction of the 1969 Residence Hall and indicated that final decisions could not be reached until a study of high speed elevators was completed by the architects. He added that the University is also studying its student housing policy. This policy has a distinct bearing on future construction of residence halls.

President Jerome read a letter from state architect Carl Bentz to Richards, Bauer and Moorhead--architects for the General Science Lecture Hall--stating that the Ohio Board of Regents does not approve the building plans. The criticism centers around the two innovative student lecture halls, the allegedly excessive corridor space, and the round exterior stairwells. A meeting with Mr. Bentz, the architects, and the University representatives will be called to discuss solutions for this problem. (Note: The meeting was held and the University's case prevailed.)

Bowling Green's Mission: EXPANDING HORIZONS

In a special report Charles Perry, Director of Development, stated that to date the total amount pledged to the Mission: EXPANDING HORIZONS is \$406,884.51; total amount of cash received, \$160,687.61; and total number of gifts, 3,777.

Mr. Moyer submitted the following report of cost thus far for the Mission program:

An analysis has been made of the payments made to our consultants for the program Bowling Green's Mission: EXPANDING HORIZONS. To date we have paid William Margeson \$15,570.00 from University funds for consultants' fees from a projected budget of \$60,000 through December 31, 1967. In addition to fees paid Mr. Margeson for his services, the following reimbursements were paid from Foundation funds to several members of his staff:

Expenditures for Consulting Services Paid from Foundation Budget

Family and Industry Management Corporation

Dan Beckner	\$ 426.40
W. Bruska	21.42
Charles Cooley	243.68
Eugene Gillespie	76.49
David Long	30.00
William Margeson	1,394.86
Roy Miles	144.91
D. Sickles	75.79
Gasser and Hayes (Professional Services)	261.54
Telephone	323.40
Postage, Printing, Miscellaneous	57.22
	<u>\$3,055.71</u>

In addition to the above the sum of \$10,000 has been paid to Mr. Ted Wakefield. Approximately two-thirds of this amount, however, was in conjunction with activities for the International Fortnight and for other functions in connection with the President's Office.

A fund raising audit of our Mission program has been made by John Price Jones Company at an estimated cost of \$2,500. If we were to engage this firm as consultants to include resident and part-time counseling, preparation of a Case Book, periodic writing services, plus reimbursement for miscellaneous living and travel expense, an estimated budget of \$54,000 would be necessary for the period May, 1967 through May, 1968.

The attached Exhibit A (see below) sets forth the expenditures to date for other than consultants fees. Please note that \$6,800 has been paid from the Development Relations Budget within the University.

(Exhibit A - see next page)

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Exhibit A

	Projected Budget 10-20-66 thru 12-31-67	Paid from Foundation	Developmental Relations Budget	Total
1. Expenses: Travel, living expenses while in Bowling Green or "on the road" for Bowling Green-- including entertainment in conjunction with 20 area campaigns	(\$17,000.00)	\$ 9,804.62	\$1,854.94	\$11,659.56
2. Advance expenses for Perry & Hof	(2,000.00)	2,000.00		2,000.00
3. Additional office help in Bowling Green	(4,000.00)	25.76	1,755.56	1,781.32
4. Printing	(5,000.00)	16,860.01	1,054.46	17,914.47
5. Supplies, postage	(3,000.00)	4,425.46	2,141.18	6,566.64
6. Telephone	(700.00) (\$31,700.00)	12.35 \$33,128.20	34.95 \$ 6,841.09	47.30 \$39,969.29

Mr. Moyer stated that the firm of John Price Jones Company has made a management audit of the Mission Program.

President Jerome added that the review by John Price Jones may lead to changes in our program. The Development Council will meet on May 15 with a representative from John Price Jones Company to discuss these changes. The Council in turn will submit a report to the trustees. This may lead to changes in our staffing as the result of experiences to date and the Board will be asked to approve final action. The University has received requests weekly from other colleges for information on this program from both state-assisted and from private liberal arts colleges.

Theodore Wakefield, special consultant to the President, stated that the East-West Trade Conference held on campus was made possible by the Mission--he suggested that next year a North-South conference be held and added that students, faculty, and others will be surveyed to learn of their desires. Then potential donors will be contacted.

Enrollment

A detailed report of enrollment for the spring 1967 semester, with spring 1966 semester enrollment figures shown for comparison, indicated that the total on-campus enrollment was 10,464. This compares with the spring 1966 enrollment of 9,507. Academic Centers and Extension enrollment showed spring 1967 enrollment of 820 in comparison with spring 1966 enrollment of 711.

Mr. Thomas Colaner, Director of Admissions, stated that 2900 new freshmen were enrolled for the fall 1967 semester and that the number of carry-over freshmen for fall would increase this figure to 3300 or 3400. The projected total enrollment for fall 1967 is 12,000.

E. L. Moseley Trust Fund

The report of the Moseley Trust Fund, prepared by F. E. Beatty, Secretary of the Trust Fund, was received as follows:

The trusteeship of the E. L. Moseley Trust Fund automatically terminated upon the death of Dr. Frank J. Prout on March 28, 1967.

In order to avoid having the trust fund remain in a vacuum for an extended period of time the following steps had to be taken:

1. Preparation of the sixth partial account and auditing by the Probate Court. This audit involves each general transaction of the trust fund since the filing of the last audit on January 1, 1967.
2. Preparation of the journal entry and orders on approval and settlement by the law firm of Hanna, Middleton and Roebke to accompany the audit report.
3. Application for appointment of testamentary trustee, William Travers Jerome III as called for in Item II of the last will and testament of E. L. Moseley.
4. Preparation of the trustee bond in the name of William Travers Jerome III as successor trustee.
5. Submission of all documents to the Probate Court for approval.

These items have all been accomplished and in the matter of the next few days it is anticipated that the Probate Judge of Wood County will officially issue letters of Trusteeships to William Travers Jerome III to serve as trustee of the estate of E. L. Moseley in accordance with the provisions of the will. The total assets of the trust fund, as transferred to the new trustee, are in the amount of \$105,003.10, and consist of first mortgages on real estate, student notes receivable and savings accounts. These investments are in accordance with the last will and testament and the laws of the State of Ohio regarding fiduciary trust.

Mr. Beatty also submitted the following list of students receiving gifts from the Trust Fund from May 30, 1965 through April 28, 1967:

<u>Year</u>	<u>Name</u>	<u>Amount</u>
1965	Dennis Vanderhorts	\$ 50.00
	Margarite Clark	50.00
	Total	\$100.00
1966	Bea Smith	200.00
	Michael Bowen	200.00
	Sara Frey	200.00
	Bea Smith	200.00
	Jackie White	100.00
	Margaret Tallman	100.00
	Sara Frey	200.00
	Berndt Klosterfelde	200.00
	Total	\$1400.00
1967	Berndt Klosterfelde	200.00
	Bea Smith	200.00
	Jackie White	100.00
	Margaret Tallman	100.00
	Sara Frey	200.00
	E. Sewell	150.00
	Total	\$ 950.00

Grants and Gifts

Dr. McFall presented the following summary report of grants and gifts in support of research, institutes, and construction of facilities; scholarships and grants-in-aid, received by the University from May 1, 1966 through April 30, 1967:

1. Grants to assist with construction of physical facilities and acquisition of equipment	\$ 962,770
2. Grants in support of research	240,726
3. Grants for Institutes, Fellowships, and Traineeships	866,423
4. Gifts for Scholarships and Grants-in-Aid	14,875
Total	\$2,084,794

Other Business

President Jerome stated he was considering the appointment of a review board . . . to "take a look" at the progress the University has made with problems of discrimination in fraternities and in off-campus housing. He will ask for recommendations on membership from faculty, students, and alumni and hopes to have this committee appointed by summer, with the goal of a preliminary report by midyear.

The President reported that a resolution was received from the State Legislature in memory of Frank J. Prout, third president of the University.

It was announced that Commencement would be held on June 4.

Mr. Canary suggested that the trustees begin to plan a meeting to be held as soon as a new or different budget is proposed by the Legislature to decide whether to raise fees or to cut in some areas if additional money over and above the Governor's proposed budget is not forthcoming.

President Jerome called attention to his statements made in the May 10 issue of OUTLOOK AND REPORT as follows:

" . . . considerable progress has been made on campus in defining the rights of students in terms of advocacy, political freedom, and the like . . . Student Court has been reorganized in order to provide peer judgment in a variety of cases customarily referred to the office of the Dean of Students. A statement relative to the handling of student disturbances also has been drafted based on the recommendations of students, faculty, and administrators.

"Certain shortcomings in the court system have been apparent and are now under study by Mr. Shine, Mr. Ward (Student Court Advisor) and Dean Whittaker, and by student representatives of both the Student Court and the Student Council. The statement on student disturbances still is being reviewed by Student Council.

"Three areas relative to rights and freedom--particularly the rights and freedom of the majority--need greater attention on this and other campuses than they are presently receiving. The first concerns the physical intervention of one group of students with the orderly conduct of the affairs of other students, faculty and guests of the University. The second has to do with the establishment of some code of dress and behavior at selected University functions, including classes. The third involves the 'non-student' who assumes that he has ready access to campus facilities and may participate freely in student activities, especially those functions calculated to create dissent and disturbances."

President Jerome gave four illustrations of events related to these problems that have occurred in the last few weeks. In OUTLOOK AND REPORT he asked the question, "What sort of rationale is needed to satisfy you and the students that we are being fair, that academic freedom is being preserved?"

The President went on to say that student disturbances have presented serious problems to the University and to the community.

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The Board members expressed their support of President Jerome in his handling of these issues.

Dave George, a student present at the meeting, asked if he could comment. Upon being told by Dave that he spoke as an individual, Mr. Canary indicated that in view of the always limited amount of time available, Board meetings could not be opened to comment by individuals on matters which were not on the agenda and which comment was not related to official business upon which the trustees had to act. Mr. Canary suggested that if students, and particularly responsible, organized student groups had matters which they felt should be discussed with the Board, such matters should be submitted prior to scheduled Board meetings so that, if appropriate, the subject could be placed upon the official agenda. . . Board members are always willing, as individuals, to meet with students or such groups. Mr. Canary also stated that a trustees' meeting was not the place for the dissemination of material that stated individual opinions aimed at criticizing the President and the administration . . and had nothing to do with official Board business . . . such as was handed out just before the meeting.

There being no further business the meeting was adjourned at 4:20 p.m.

Attest:

Mr. Canary
President

Donald G. Simmons
Secretary

*Read to Mrs.
Homer A. Kuengli
Resident State Examiner
November 27, 1967*

Bowling Green, Ohio
September 7, 1967

After due notice a special meeting of the trustees was held in the Board Room in the Administration Building at 2:15 p.m. on September 7, 1967, with the following members present: Sumner Canary, Robert Dorfmeier, Merle Harrod, Donald Simmons, Anita Ward, Dudley White, Jr., and Robert Winzeler. Mrs. Virginia Stranahan and Delmont Brown were absent.

Also present were President Jerome; Paul F. Leedy, Provost; K. H. McFall, Vice President; Bobbie Owens, Assistant to the President; Paul Moyer, Treasurer; Elton Ringer, Business Manager; Dr. James Bond, Vice President for Student Affairs; Eugene Wilson, Director of Development; and James Hof, Director of University Relations and Alumni Services.

Mrs. Ward called attention to an error in the minutes of May 12, 1967 meeting (corrected in minutes book): Under the heading "Quarter Calendar," the statement "IN OCTOBER AND NOVEMBER OF 1966, the Academic Council accepted a statement entitled 'Implementation of Conversion to Quarter Calendar'" was corrected to read "ON FEBRUARY 15, 1967, the Academic Council accepted . . ." Mrs. Ward then moved that with this correction made the minutes be approved. Mr. Dorfmeier seconded.

Mr. Canary introduced and welcomed two new trustees--Mr. Merle M. Harrod of Wapakoneta, Ohio (appointed to fill unexpired term of John F. Ernsthause) and Mr. Robert C. Winzeler, of Montpelier, Ohio (appointed to fill the unexpired term of James C. Donnell II, who resigned November 29, 1965).

Mr. Canary also expressed his pleasure at the reappointment of Mrs. Ward to a new term beginning May 17, 1967, and ending at the close of business May 16, 1976,

Statements of the Governor's appointments and oaths of office follow:

I, James A. Rhodes, Governor of the State of Ohio, do hereby appoint M. Merle Harrod (Republican), Douchet Township, Auglaize County, Ohio, as a Member, Board of Trustees, Bowling Green State University, for an unexpired term beginning January 21, 1967, and ending at the close of business May 16, 1975, with appointee taking office June 26, 1967, vice John F. Ernsthause, who resigned.

SEAL

IN WITNESS WHEREOF, I have hereunto subscribed my name and caused the Great Seal of the State of Ohio to be affixed at Columbus, this 22nd day of June, in the year of our Lord, one thousand nine hundred and sixty-seven.

/S/ James A. Rhodes
Governor

OATH OF OFFICE

I, M. Merle Harrod, promise and swear to support the Constitution of the United States and the Constitution of this State, and faithfully to discharge the duties of the office of Member, Board of Trustees, Bowling Green State University to which I have been appointed, for an unexpired term beginning January 21, 1967, and ending at the close of business May 16, 1975.

/S/ M. Merle Harrod

STATE OF OHIO
COUNTY OF Auglaize, ss:

Personally sworn to before me, a Notary Public in and for said county, and subscribed to in my presence this 26th day of June 1967.

/S/ D. M. Shuler
Notary Public - Com. exp. 3-22-68